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Editorial AS WE SEE IT

A year ago opinion about the then current state of business and the general outlook was deeply affected by politics. The Democratic party and its Presidential candidate had a very real interest in convincing the people that all was not well with business and that, if left in the hands of the Republicans, the situation might well get a good deal worse before it got better. The Republican party and its spokesmen were equally interested in making it appear that there were no serious problems in business that need give concern—although the rate of activity was not in keeping with earlier rosy forecasts—and whatever decline had occurred would soon correct itself. Current discussion of the outlook is still afflicted in somewhat the same way. Of course, the detractors of last year are now busily explaining the improvements that have developed and the prospects that they will go much further—under the guiding hand of the all-wise powers that be. Political opponents naturally are not so certain that all is well, and frequently point out weaknesses in the current outlook, particularly what is regarded as the danger of an inflationary boom coming in part at least as a result of “too much and too late” in the form of anti-recessionary programs by the national government.

For our part we are quite willing to leave to others better qualified the task of looking into the future to see which seed will sprout and which will not, to misquote the poet. The matter is, of course, one of importance. It is a requirement of successful business that some sort of rational and, on the whole, sound judgment be reached about what is ahead. This is particularly true of those who have to guide the affairs of large aggregates of capital. The general consensus seems to be that we have done well in getting out of the rather shallow recession that was upon us and that for the immediate future at least we are likely to continue to move ahead at least reasonably well — although opinions begin to differ when such other matters as the danger of inflation and the like come under con- (Continued on page 26)

What is the Prudent Policy Today In Investing Pension Fund Assets?

By John G. Heimann*, Pension Fund Investment Dept., Smith, Barney & Co., New York City

Long- and short-run advice on what constitutes prudent pension fund investment policy defines prudence as the preservation of dollar capital as well as that capital's purchasing power with a minimum of risk in flexibly seizing attractive investment opportunities. Current market conditions are said to warrant deviation from long-run emphasis on stocks to bonds and mortgages and adoption of more conservative ratio of fund's bonds to stocks. Stock selection, however, at any time is judged best when gauged in terms of average or better long-term performance.

During the past 15 years, a multitude of theories have been argued regarding the investment of pension fund assets. These discussions have ranged far and wide across the investment horizon and have included the extremes of the total fixed fund (insured) to the completely variable fund (100% in common stocks). No two investment theories could conceivably be any more opposite, yet both have been realistically and well defended. The result has been something of a compromise. The trustees of a great majority of pension funds have adopted some of the thinking of both sides, resulting in the practices of the “balanced fund” which includes both fixed and variable types of investment in differing proportions. Let us explore this question of prudence in logical fashion (1) What is prudence? (2) What is prudent for the trustees of a pension fund? (3) Did the popularly accepted investment policies of the past answer this concept? and (4) What investment policies should be followed at the present time?

The answer begins with *Harvard College v.*

*Amory*¹ where the court stated: “He (the trustee) is to observe how men of prudence, discretion and intelligence manage their own affairs, not in regard to speculation, but in regard to the permanent disposition of their funds, considering the probable income as well as the safety of the capital to be invested.” This was modified in *Marshall v. Frazier*² in which the court recognized some of the realities of human nature by concluding that even prudent men take risks for themselves which should not be assumed for another.

From these earliest decisions, the body of law regarding the actions of a prudent man has been slowly built by court interpretation. An interesting recent study on the prudent man theory and what it means to a trustee can be found in an article by Harold B. Elsom in the *Financial Analyst's Journal*³ in which he concludes that “... the concern for safety of capital dollars is ... logically, chronologically and technically correct. The sequence ... shows the idea of safety to be associated with *wealth* (italics added), not funds. ... We have then a reasonable interpretation of court opinion suggesting that wealth protective measures are in order. ... If safety of wealth rather than a sum certain were ever in question, doubt has been removed.” Or, in non-legal language, the courts have strongly suggested that they consider it prudent for a trustee to invest in securities which protect *wealth* (purchasing power) in addition to or in replacement of those securities which only protect dollar capital.

These factors, notwithstanding, it is important to realize that the courts have consistently concerned themselves with the problem of “preservation” but nowhere have the courts stated or even intimated that it is the duty of a prudent man to *create* dollar capital other than that necessary to preserve the purchasing power of those dollars.

However, as far as I (Continued on page 24)

¹ 9 Pick 446, 461 (Mass. 1830); ² 80 P. 2nd 42, 55 (Oregon 1938); see also in re Cook's Estate, 171 Atl. 730 (Delaware 1934); ³ Volume XVI, No. 4, July-August 1960, P. 27.



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FRANK A'HEARN

Partner, William I. Rosenfeld Jr. & Co.,
New York City

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Federation Bank and Trust Co.

The title of this column, "The Security I Like Best," certainly fits the Federation Bank and Trust Co., New York City. It seems that I am not the only one who likes this well known banking institution. In the past 2 years, I would venture to say, no less than 5 or 6 of our most important New York City banks have indicated they would be pleased to add Federation Bank & Trust Co. to their organizations. The interest shown by the cream of New York's banking fraternity indicates the high regard the management of these banks have for Federation's President, Thomas J. Shanahan, and the bank itself.

Why are these veterans and experienced bankers so anxious to acquire the services of Mr. Shanahan and merge with his bank? As a former Governor of the State of New York has said, "let's take a look at the record."

The figures in the accompanying tabulation illustrate the growth of the Federation Bank and Trust Company from the time Mr. Shanahan became President in 1944 until the present. The board of directors, at a meeting held on July 11, 1961, declared a 2½% stock dividend, payable on Sept. 15, 1961 to all stockholders of record on Aug. 22, 1961. The regular 37½c cash dividend was also declared.

Another indication of the bank's growing popularity with the investing public has been the steady increase of stockholders since 1944. As of July, 1961, Federation Bank has some 2,000 stockholders as against only 292 in 1944.

The bank now has nine conveniently located branches in Manhattan, Queens and Brooklyn. With New York City's many new building projects underway, the locations of the bank's branches become more and more important to its future progress.

Federation Bank and Trust Co. opened its doors in May, 1923, at the corner of 34th Street and Eighth Ave. This was the headquarters of the bank for many years, and has proved to be a very profitable location. This office will increase in importance as the new Pennsylvania Station building program starts to take shape. This program includes a new sports center and convention hall to take the place of Madison Square Garden, along with a hotel and office buildings. Other building developments are scheduled for this area which will make it a very active part of Manhattan. The 34th Street branch should benefit by this increased activity.

	Gross Operating Earnings	Capital Stock	Deposits	Dividends Paid Cash—Per Share	Amount
1956	\$3,362,167	\$3,480,000	\$93,585,000	\$1.25	\$435,000
1957	3,772,473	*4,845,180	110,901,266	1.25	490,611
1958	5,307,538	*5,445,180	164,534,604	1.45	747,556
1959	7,163,781	*6,670,350	152,442,898	1.50	908,674
1960	7,949,233	6,670,350	200,066,645	1.50	1,000,565

*Increase 136,518 shs. (stock div. 2½% 8,700 shs., 2½% 8,918 shs.) (Sale 118,900 shs.)
*Increase 60,000 shares (Purchase Citizens Bank of Brooklyn).
*Increase 122,517 shares (stock dividend 2½% 13,613 shares) (sale 108,904 shares).

(This is under no circumstances to be construed as an offer to sell, or as a solicitation of an offer to buy, any security referred to herein.)



Frank B. A'Hearn

In 1951, Mr. Shanahan opened the first branch at 6 East 45th St. close by the Grand Central area. This branch was successful from the opening day. This success will continue to grow as this section of the city is improved by the construction of several office buildings which will be topped by the erection of the new Pan American building over the New York Central tracks near Grand Central. This structure will have the largest floor space of any office building in the U. S. Business in this area will increase, benefiting the 45th Street branch.

In 1954, another branch was opened at 41-84 Main St., in Flushing, N. Y. This branch, located opposite the new Flushing Post Office in the midst of a flourishing business center and new apartment developments, has proved so successful that within a short time after its opening, additional space is needed to service increased business. With the World's Fair coming to Flushing, increased activity throughout this section is anticipated.

The year 1956 marked a turning point in the bank's future growth. Mr. Shanahan opened what is now the main office of the Federation Bank at 10 Columbus Circle, in the Coliseum Building. The value of this location will continue to increase as the Lincoln Center of Performing Arts nears completion. This branch you might say, is at the gateway to this huge and important project.

The Queens Blvd. branch, at 85-23 Queens Blvd., Elmhurst, is located on property owned by Federation Bank. This building has been completely remodeled and a private parking space for customers is available. There is a subway and bus stop at this corner and several new office buildings are being built and planned for this area along with a large housing development. Mr. Shanahan has plans to expand and improve this property further to keep pace with this rapidly growing community. This branch should prove to be an excellent investment.

The South Ozone Park office at 132-02 Rockaway Blvd. has been a very pleasant surprise, in that it has surpassed all expectations. This branch services many small and several large businesses along with many home owners in this growing section of Queens.

The Jamaica office at Hillside Ave. and 169th St., and the Jamaica Estates office at Hillside Ave. and Midland Pkwy. are both ideally located in this growing section. The 169th St. building and property is owned by the bank. With building on the increase in Queens and as the opening of the World's Fair nears, these branches should become more important to the future growth of the bank.

The Citizen's office, located at Pennsylvania and Jamaica Aves., Brooklyn, has been completely remodeled along with providing private parking space for customers. This property is also owned by the Federation Bank and business has been improving steadily since the Bank took control, and

This Week's
Forum Participants and
Their Selections

Federation Bank and Trust Co.—
Frank A'Hearn, Partner, William I. Rosenfeld, Jr., & Co.,
New York City. (Page 2)

The Duplan Corporation—Edward W. Ferguson, Manager, Investment, Research Dept., Laird, Bissell & Meeds, New York City. (Page 2)

all indications are that it will prove an excellent investment for the bank.

The growth of the Federation Bank and Trust Company since 1944 is a tribute to Mr. Shanahan. By his foresight, good judgment and his excellent knowledge of the banking business, along with a personality that gives him an ability to make friends, he has made the Federation Bank one of the leading commercial banks in New York City.

Mr. Shanahan's business ability is recognized by many large industrial organizations on whose boards of directors he now serves. Among the latest to recognize his talents has been one of the leaders of our new Administration who invited Mr. Shanahan to serve as a member of the Board of Directors of the huge and important General Aniline & Film Corporation which was taken over by the U. S. Government after World War II.

I have concentrated on the individual history of each branch to give the readers a clear picture of the future growth possibilities of the Federation Bank and Trust Company with its nine well located and successful branches. Locations for new branches are being considered by Mr. Shanahan and the Bank's Board of Directors.

With bank stocks attracting considerable attention recently from the investment public, I do not hesitate to recommend Federation Bank and Trust Company, with its excellent record. The stock has paid 37½ cents each quarter this year, plus a 2½% stock dividend. Earnings for 1961 are estimated at about \$2.70 per share or better.

The range for the stock from Jan. 1, 1961 to Oct. 10, 1961: high 43½, low 32; last sale 39¾ as of Oct. 10, 1961. The stock is traded in the Over-the-Counter Market.

EDWARD W. FERGUSON

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Edw. W. Ferguson

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New Directions in Federal Gas Industry Regulation

By Joseph C. Swidler,* Chairman, Federal Power Commission

Recently appointed FPC head spells out his firm support for area pricing—as a ceiling, and not as a floor, with no concessions for the inefficient firms—in speaking for himself, and not the Commission he chairs. Moreover, in the light of the two recent Permian Basin and Southern Louisiana area rate proceedings, he touches on the steps to be pursued in solving rate-making procedural problems. Further, he asks for the cooperation of all in giving area rate proceedings a fair test, and hopes that use of area rate ground rules, policy statements and the expediting of pipeline and producer cases will end delays in time and uncertainties as to policies underlying decisions. Furthermore, he states that his electric utility background convinces him that the "cost-plus" pricing formula applied to most utilities would not do for the riskier natural gas industry.

I think there is great progress to be made in gas regulation in the next year or two, and great room for innovation and enterprise in developing a sound basis of regulation. I firmly believe that with the industry's cooperation, and the cooperation of the other interests concerned, an equitable and generally satisfactory method for regulating producer rates can be found. I am fully aware that this will prove a difficult and complex task. If I have learned nothing else in the almost three months I have served on the Commission, I have at least learned this much. But the great importance of the task to all the parties concerned makes it necessary that we find such a solution and remove the price uncertainty which has plagued the industry in recent years.

The subject of this paper creates a natural expectation that I am prepared to spell out the course of Federal gas regulation in the years to come. I am afraid I cannot live up to that premise. I do propose, however, to indicate all that I can at the moment about the shape of my thinking on the major gas regulation problems of the Commission. I must caution that I cannot speak for the Commission, but only for myself. Because my acquaintance with the industry is still recent, my own views are subject to change without notice in the light of additional information and changing circumstances.

I shall want to use this occasion to make some general observations about the problems of the gas industry, but I know that the primary interest is in the developing regulatory pattern for gas producers. I shall speak of that first.

I am fully aware of the great responsibilities of the Commission in the field of producer rates. This year the industry will probably sell something in the order of 13 trillion cubic feet of gas. A difference of a cent a thousand cubic feet is equal to \$130,000,000 a year. A cent a thousand difference in the value of the estimated proven reserves is equal to approximately \$2½ billion. If we calculate on the basis of the estimates of recoverable gas in the ground in the United States, each cent per thousand is roughly equal to \$15 billion. These are indeed astronomical figures, even in Texas, so large that in computing them I

checked several times to be sure I was not running in an extra string of zeros. They emphasize that the rate decisions of the Commission have an enormous economic impact, and that they must be made with the most sober care for fair dealing as between producers and consumers. I can assure you the Commission does not take this responsibility lightly.

The problem, of course, is how to apply the rate standards of the Natural Gas Act to producer rates. I do not need to review the history of the efforts which have been made to regulate producer rates. The principal present vehicles for such regulation are the two area rate proceedings recently instituted by the Commission. I want to discuss these proceedings.

Current Litigation

On no subject in the gas industry is there more intense interest than in the question of the future course of the area rate proceedings. Into these proceedings have been consolidated hundreds of separate cases that now involve directly prices for the gas produced from two of the nation's most prolific gas production areas, and which may set a pattern for pricing the entire industry output at the producer's level. Interest has been heightened by the change in the membership of the Commission, which now includes only one member who participated in issuing the area rate orders; by the hearings, themselves, in which many producers have joined in preparing comprehensive studies on an area-wide and industry-wide basis; by speculation as to the possibility of early Commission clarification of its area pricing policies in response to the parties' requests for such clarification; and, finally, by the report of Chief Examiner Marsh in the Southern Louisiana proceeding, which raised explicitly the question whether area rates proceedings were useful rate-making devices.

My own present view on the last question is that the area rate proceedings will probably prove to be the most important single tool for developing a sound framework of producer rate regulation. They seem to me to be a promising administrative innovation which should be pushed forward with all dispatch and vigor. I say this because I do not believe the pro-

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Medium Term Outlook For Natural Gas Industry

By L. T. Potter,* President, American Gas Association,
President, Lone Star Gas Co., Dallas, Texas

Compendious, thoughtful paper on the natural gas industry outlook contains specific predictions as to the sales, customers, etc., and investments required to keep up with anticipated demand. Mr. Potter's data dismisses fears held regarding adequacy of future supplies, and are based on new all-inclusive gas industry research development program launched by the industry.

When we get down to discussing where the gas industry is and where it is going, it seems to me we often lean heavily on two props, perhaps on the assumption that they make it easier to visualize our position and what we hope to achieve in the future.

First, we frequently compare today's gas industry with the industry of ten years ago. Then we project our plan and hopes ten years ahead, still limiting ourselves to discussion in terms of decades.

Second, we often use the short-hand of statistics—perhaps too frequently—overlooking the fact that copious statistics are available to most everyone.

As we comment on "Greater Goals for Gas," we discuss not some vague goals off in the dim and distant future ten years hence but the immediate goals of the gas industry, those we seek to achieve now and in the next five years. And we use as few statistics as possible, only those contributing to clearer understanding of the industry's position and goals.

I would mention, for example, that gas distribution and transmission companies now constitute the nation's sixth largest industry, with total plant investments of some \$22 billion. These companies serve about 95 billion therms of gas a year to some 33½ million customers through a national network of pipelines and mains extending about 645,000 miles.

This year and in the years through 1965, we hope to see our companies do at least \$35 billion worth of business. By the close of 1965, we expect customers to increase by 15%, to 38½ million, and sales to increase by 30% to a level of about 124 billion therms of gas per year. And we expect to make substantial additions to our

transmissions and distribution systems to keep pace with anticipated demand.

To deliver more gas to more consumers in more communities, gas distribution and pipeline companies alone will spend about \$10 billion for construction and expansion over the next five years—and these outlays exclude the capital expenditures of our appliance and equipment manufacturers. If the traditional financing pattern continues, this means we will need to derive from \$3 to \$5 billion of these funds from external sources.

These are only a few of the gas industry's goals—ambitious goals, but nevertheless realistic.

In establishing these goals and mobilizing our companies to achieve them, we make the assumptions most forward-looking industries make. We assume that population will continue to increase, that standards of living will keep climbing, that our products and services will continue to enjoy popularity and public acceptance and so forth.

In addition, however, we assume that solutions will be found to some knotty problems facing the gas industry. We assume, for example, that the industry's regulatory climate will improve. We assume that our research programs will give us even better gas appliances and equipment, as well as improved operating techniques and equipment. We assume, too, that the gas industry will always know where it is, where it must go, and how it should get there.

But let me emphasize that these are more than just assumptions. We are not content to leave such important matters merely to chance, hoping they come to pass. The gas industry is attacking them as problems and working toward their solution.

Through the American Gas Association, we have in the past year undertaken to seek improvements in the quality of gas industry regulation at the Federal level. A special Committee of Executives on Regulatory Affairs has developed a number of important recommendations aimed

at eliminating the undue delays which have come to characterize the Federal regulation of our industry, at the same time increasing the efficiency and effectiveness of regulation. Some would require legislative action, but many others could be implemented within the framework of existing Federal Power Commission rules, regulations and statements.

Through recently intensified industry and company research programs, we are answering the technological challenge with more energy, enthusiasm and unanimous research support than ever before.

And, under a new program of gas industry development launched a few months ago, the industry and its component companies now are engaged in a comprehensive job of short-range and long-term planning. The program, which we know as G. I. D., is one of the most important, finite and far-reaching developments in our entire history.

While we have, in the past, discussed our plans in specific fields of operation, we have not heretofore worked on such an all-inclusive basis as is now being done. Today, as a result, we are in a much better position to discuss where the gas industry is going and how it should get there.

But as our goals and plans are outlined, one fundamental question stands uppermost in the minds of many people: Will supplies of gas be sufficient to meet future demands?

The answer is an emphatic "Yes." Today, there are ample proved reserves of natural gas in the United States to last for the reasonably foreseeable future. Ultimate reserves of sufficient magnitude for the nation's needs beyond the year 2000 await only the incentive for their development by the gas industry as proved reserves.

At the start of 1961, the American Gas Association's Committee on Natural Gas Reserves estimated the nation's proved recoverable reserves to be nearly 264 trillion cubic feet, despite rising levels of production which reached 13 trillion cubic feet during 1960.

Those who may be tempted to divide production into reserves in an effort to determine the gas industry's "life index" would do well to remember that the ratio of proved reserves to net production is merely a "working inventory" of the moment. It represents only the supplies of natural gas we now have "on the shelf."

I would emphasize that proved reserves do not constitute the sum total of gas supplies which will be available to the nation, for they exclude the country's ultimate gas resources which are not, as yet, proved up.

It has been variously estimated that ultimate reserves in the United States alone represent something in the neighborhood of 1,200 to 1,700 trillion cubic feet. Furthermore, the U. S. Department of the Interior, in a recent presentation prepared for the Joint Committee on Atomic Energy, estimates ultimate gas reserves in the United States and Canada in the range of 3,000 to 5,000 trillion cubic feet.

*A statement by Mr. Potter before the 43rd Annual Convention of the American Gas Association, Dallas, Texas, Oct. 1, 1961.

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OBSERVATIONS...

BY A. WILFRED MAY

"TRADE" BEHIND THE IRON CURTAIN

PART TWO — of a series based on the author's recent visit in Hungary and neighboring countries.

Hungary strikingly exhibits the Communist orbit's highly-developed techniques for gearing international trade to political aims—and the benefit of Mother Russia.

Fundamentally manifesting the domination of political over economic factors in this Satellite's strict adherence to maintaining trade apportionment of 70% of the total volume to the Soviet bloc, and the 30% remainder among other countries. The reason for such limitation, as vigorously expounded to me by Hungary's Chamber of Commerce (the government's trade promotion agency) President Odon Kallos, follows the Commie-line asserting the danger of dependence on "the cyclical boom-bust capitalist countries." For the non-Communist countries, as India which, with Finance Minister Dessai's personal on-the-spot intervention, this means that bilateral trade volume can look forward to some stepping-up, but limited by its 30% proportion.

Perfectly highlighting the pre-dominance of political considerations is the just concluded trade agreement with Cuba entailing another \$25 million, concerning which considerable private grumbling is going on because of the specified payment to Hungary in unneeded sugar.

To some other "Communist-flirting" countries "poor Hungary" has actually been extending long-term credits. Included as recipients have been Ghana (per agreement of April, 1961), and the United Arab Republic (December, 1960).

There are also reports of long-term credits to "uncommitted" Brazil and India (although an interview by this writer with the latter's Finance Minister Dessai in Budapest indicated the currently bilateral nature of any India-Hungary pacts).

This is all apart from Hungary's extensions of aid-or-credits to fellow-members of the Communist bloc, reportedly including Albania, Mongolia, North Viet Nam, North Korea, and Guinea.

Moscow's Two-Way "Gypping"

Even more important to Hungary are the direct trade relations with Moscow. The exact terms of trade include some uncertainty, with vacuums particularly on the prices paid for imports by the U. S. S. R. But discussion with experts, domestic and neighboring as in Geneva, indicates that considerable creditability is due to the estimates of dictated buying and selling price "gypping." This exploitation occurs through price discrimination in both Soviet exports to, and imports from, a satellite, compared with the price of the same commodity in Soviet trade with the free world.

The most prominent of such estimates is the so-called Mendershausen Report, compiled by Dr. Horst Mendershausen, economist of the Rand Corporation.

Dr. Mendershausen concludes that "of all the captive nations importing goods from the U. S. S. R., Hungary suffered perhaps the greatest losses. The latest figures available from official Soviet sources . . . reveal the flagrant nature of Soviet price discrimination."

He calculated that Hungary's total imports from the Soviet Union in 1958 were valued at \$200,500,000; that 34 of the items

covering 80% of Hungary's total imports from the U. S. S. R. were identical with those which the Soviet Union also exported to free world markets; that a comparison of the prices charged shows that Hungary overpaid a total of \$24,375,000, or 15% of the 34 commodities' total value.

Price discrimination practiced against Hungary's exports to the U. S. S. R. is, as we have indicated above, more difficult to calculate. While agreeing with this caveat, Dr. Mendershausen assumes that Hungary shared in the broad price discrimination known to have been inflicted on the satellites' imports as a group.

Other studies covering later periods indicate similar Hungarian losses, through discrimination, of over \$70 million in 1959.

Evidencing her mastery of the streamlined trade techniques is the sabotaging which the Kremlin has been able to maintain against Yugoslavia's legitimate interests even after her transformation to quasi-independence in 1948. As currently up-dated for me by a high Yugoslav authority, his country's "headaches" are continuing in full force, with Moscow's state trading commissions on their bilateral side insisting either on paying with goods that are not desired, or not paying at all. As a result the U.S.S.R. is Yugoslavia's \$50 million debtor.

The Kremlin's Levers

The Kremlin has divers levers to keep her Hungarian satellite in line, apart from the political domination which has been loosened somewhat following the 1956 uprising.

Trade dependence on Russia by Hungary, a poor soft-currency country, is furthered by both export inadequacy and import needs. The former are centered on no-longer-scarce bauxite and a few types of machinery. Import-wise the Soviet supplies Hungary with her sorely needed supplies of crude oil, lumber, coke, agricultural machinery and mine props.

An equally strong lever, possessed by the Soviet in the monetary area, stems from the long-term "appeasement" credit extended to Hungary following the 1956 Revolution. Two hundred and fifty million dollars (in 1957) came directly from the U. S. S. R., with another 81 million from the other major Socialist countries.

U.S.S.R. Credit's Impact

The effect of these credits, enabling the avoidance of a deficit in the balance of payments in 1957, the year of the grant, has been to finance trade deficits in that and succeeding periods. These deficits totalled \$195 million in 1957, \$23 million in 1959, and \$100 million in 1960.

Contrastingly, Bulgaria, Rumania and Poland, from 1959 to 1960, when Hungary was thus enabled to change from a small surplus to a \$100 million deficit, showed reductions in visible trade deficits or increases in surpluses.

The credits to Hungary have resulted domestically in maintenance of the standard of living, with a big fillip to the availability and quality of consumer goods—a rather vulnerable economic setup!

Thus we see how decisively, through highly developed political along with economic techniques, a satellite is dominated by Mother Moscow.

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Electronic Distributors

By Dr. Ira U. Cobleigh, *Enterprise Economist*

A consideration of certain progressive companies whose business is to distribute, rather than manufacture, electronic hardware.

Glamour alone is not a sufficient reason for stocks to go up and stay up. Until a year or so ago, almost any company that had the word "electronics" or "transistor" in its corporate title was avidly sought and bought by eager speculators — with almost complete disdain for the traditional criteria by which securities have, for decades, been appraised. Steep growth curves, "pie in the sky" earnings' projections, and talented scientists delving into sophisticated R and D, propelled many issues to gaudy heights.

Then came the second looks and the re-appraisals. Competition appeared at home and abroad especially in semi-conductors; price cutting entered, profit margins thinned, and rosy earlier earnings' predictions failed to materialize. As a result, we have seen in recent months, throughout the electronics list, the phenomenon of fading bids and dwindling price/earnings ratios. In 1960-61 the high/low range for certain popular issues was as follows: Ampex 42 to 18; Avnet 68 to 13; Collins 76 to 31; Transatron 42 to 18; Texas Instruments 256 to 165. Some of these are a bit higher now, but the price erosion that has taken place is well documented by these examples.

One section of the electronics industry, however, appears to have held up somewhat better—the distributors. These, for the most part, manufacture little or no products of their own, but serve as merchandising agents for manufacturers, many of whom are too small to support effective national, or even regional, sales organizations of their own.

Origin of the Business

The diversified electronic distributor business goes back to Chicago in 1921 when Allied Radio, Radio Shack and Lafayette Radio Electronics began to sell, by mail order, or through retail stores, the hardware for constructing radio receiving sets. To this distribution was added design and assembly of component units and kits. From these beginnings these companies, and a number of newcomers, expanded the business of electronic distribution to include servicing large scale industrial and government requirements.

The most impressive phenomenon in the business in recent years has been the growth of the industrial distributor. This has been for several reasons: (1) the fact that smaller electronic companies simply can't afford extensive sales organizations; (2) a good distributor can supply broader, more efficient, lower cost selling, and more intensive coverage of specific markets, than all small, and many large companies; (3) a distributor can stock, and deliver promptly, hundreds of different items from many manufacturers. A single

call to him may save placing a dozen individual orders.

On the industrial buyers side, the services of the distributor are of benefit because (1) they permit combining and assembling in one order, with one billing and one delivery, required components and hardware from many manufacturers. This assures swift delivery and eliminates a lot of handling and paper work. (2) The efficient distributor carries a large inventory and is thus in a position to make immediate delivery of hundreds of items; (3) The larger distributors have regional offices facilitating more efficient sales and service to the "hot" electronic areas: California, Florida, Boston, Chicago and Metropolitan New York; (4) The prices of products sold by distributors are no higher than on purchases of identical items made directly from manufacturers.

For the foregoing reasons industrial distributors, with financial resources to carry large inventories, and to provide an efficient sales and services organization, are in a position to progress and prosper with the industry. Moreover, merger, in due course, of smaller regional companies into bigger companies, seems most logical. These mergers should prove of interest, and avenues of possible profit to investors in coming months.

Avnet Electronics

This company is a sizable enterprise grossing around \$19 million annually and earning for the fiscal year ended June 30, 1961, 70c a share on its 2,064,534 common shares outstanding. Avnet specializes in the distribution of electronic connectors and other electronic components, principally for Bendix Corp. Its contract with Bendix covers sales rights in 27 states. Products of other companies wholesaled include relays, semiconductors, Microdot multi pin connectors, and electronic and high fidelity products manufactured by, and imported from, its subsidiary, British Industries. Ahead for Avnet we would expect expanded sales in 1961, aided by a broader line of products, some benefits from the Shaw process of precision casting and possible merger developments. Initial cash dividend of 25c was paid in August of this year. The stock, a volatile performer is now quoted at 28.

Radio Shack Corporation

This company is a progressive enterprise distributing electronic products to over 10,000 customers including industrial clients, schools and technical laboratories; and it does a big mail order business. In addition to merchandising, it does a substantial amount of production under the Realistic trade name. Items here include components and elements used in hi-fi and stereophonic speakers,

amplifiers, tuners, and in tape recorders and transistor radios.

Growth has been impressive with sales rising from \$5.6 million in 1958 to over \$12½ million for fiscal 1960 (year ends 6/30). Earning above \$1 a share and selling at around 17, Radio Shack is a respected and quite proven electronic merchant.

Milo Electronics Corp.

This company went public on March 1, 1961 with 150,000 shares offered at \$5. Milo, unlike some distributors, is not a manufacturer but an expanding industrial sales agency handling over 3,200 separate electronic items under licensing agreement with more than 120 manufacturers. Sales have been moving forward, benefitting from new offices opened this year in the Boston, Los Angeles and Miami areas. Sales for first quarter of 1961 were \$1¼ million, an 8% gain over 1960.

Milo common is traded on the American Stock Exchange where it has ranged this year between a high of 19½ and a low of 8½. Currently it sells at 9½.

Allied Radio Corporation

This is the largest of the electronic distributors, with major sales coverage in the Middle West. Its business is divided roughly 25% industrial, 50% mail order, and 25% from its own stores.

Sales of Allied are showing a pleasing gain and will probably come close to \$44 million for fiscal year ended June 30, 1962. Pretax profits of around 7% would suggest earnings of around \$1.35 per share (this fiscal year). Allied carries some 40,000 items in inventory purchased from over 600 suppliers. The stock at around 28 is sort of the dean in its field.

Goddard, Inc.

Here is an aggressive and well managed company doing a gross annual business of around \$4 million. Business is divided roughly 40% industrial, 40% service dealer, and 20% in consumer products. Goddard is the leading electronic distributor in Florida and the No. 1 distributor in the Southeast. In Florida its main office is in West Palm Beach, with branches throughout the state.

Goddard is Florida distributor for such companies as Sprague Products Corp., Robert's Electronics, Inc. of Los Angeles, Raytheon Company, Channel Master, Hoffman Electro Corp., and eight state Southeast distributor for Fairchild Semiconductors Corp.

Aggressive selling, strategic location, expanded distribution, plus manufacture of a line of consumer electronic products, and improving cost controls, give Goddard common a forward look at around 3, over-the-counter.

We couldn't begin to cover all the 16 companies in this \$1 billion industry, that have gone public in the past three years. The ones we've selected seem to be fairly representative and we rather feel that they provide more dependable, durable and promising equities than many of their brethren in the manufacturing end.

Marine Trust Promotes Two

Promotions of Homer R. Berryman and Edward L. Brown to Vice-Presidents of The Marine Trust Company of Western New York have been announced by President Francis A. Smith.

Mr. Berryman is Manager of the bank's municipal securities department, 237 Main Street, Buffalo, N. Y.

Mr. Brown is Sales Manager of the municipal securities department with headquarters in the department's New York office at 120 Broadway.

Reasons for and Cure of Our High Unemployment

By Roger W. Babson

The reasons for our present unemployment during recovery lead Mr. Babson to conclude they do not menace the present economic pace. To curb higher labor costs, Mr. Babson favors passage of a law making all strike votes subject to a secret ballot. He also urges Department of Justice forestalling of unnecessary combinations, and hopes that foreign pay rates and working conditions come up to healthy and reasonable levels.

Many people are puzzled when they see unemployment riding along at a high 7% of the labor force while employment keeps reaching one new peak after another. They see in this situation an indication that there is really the germ of a depression underlying the present recovery boom in business. The reasons for high unemployment in a time of top employment are, however, not that menacing. They are due to the natural population expansion and other related factors.

Why Unemployment Stays High

For one thing, some producers and retailers are pricing themselves out of business. Many investors are of the opinion that labor is chiefly to blame here. But actually, each group in the economy wants more and tries to take in additional money by raising prices or wages. The result: Consumers buy fewer goods; merchants lay off clerks; manufacturers fire production workers. It is a vicious circle, with all groups helping to keep the spiral going.

Taxes, too, can cause unemployment in a roundabout way. The levies for defense, social security, old-age pensions, foreign aid, farm subsidies, and road-building are never-endingly heavy. Such taxes make many employers so angry they take it out on labor by reducing staffs.

Foreign imports are another issue. Lower pay in Japan, Italy, Germany, and other nations permits those countries to export to us all types of products at prices that our manufacturers cannot meet, even after import duties. But if we were to raise such duties, the nations would be alienated and would turn to Russia. Hence, almost every store is carrying some imported goods. When you purchase them, you are actually putting some American wage-workers out of a job.

Finally, many of our manufacturers are either building plants abroad in low-wage countries or are adopting automation. Retailers construct huge supermarkets, install self-service. These changes of course, throw more wage-workers out of employment.

Curbing Labor Costs

Labor costs are one of the biggest headaches for management.

When they go soaring year after year, it becomes necessary for employers to cut back personnel totals in order to keep a safe margin of profit. Chiefly responsible for the exorbitant advances in wage rates are union leaders, who have to win big raises for their members in order to keep their own jobs (many union leaders make \$20,000 or more). Such leaders can force the workers they represent to agree to unwanted strikes and unreasonable pay demands by a standing vote. Hence, Congress could help workers and consumers — and basic employment — by passing a law making all strike votes subject to secret ballot.

The U. S. Department of Justice should be urged to prevent monopolies in advance by discouraging unnecessary consolidations. Such combines, usually to raise prices or cut production costs, nearly always mean layoffs for some. Would it not be fair for stockholders to allow a period of time — agreed on in advance — after a consolidation before raising prices or discharging any employees?

Shorter Work Week No Cure-All

It would seem simple to cut back unemployment by reducing the work-week to 35 hours, but here we have the danger of encouraging more foreign imports. It would help the employment situation greatly if more workers took advantage of social security and retired at 65. This would apply, too, for older employers and company officials. There might be a substantial reduction in unemployment in the younger age bracket if more young men and women were sent to college.

In conclusion, it is my feeling that the fundamental difficulty lies in the fact that both our employers and our workers are "at war" with those of other nations. Until the pay rates and working conditions of foreign workers are brought up to healthy and reasonable levels, the economic battle will be an uneven one. Meanwhile, we must all abide by the Golden Rule and avoid economic violence on the home front; strikes are too often only legalized wars.

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TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

While many economists, analysts, investment services and political spokesmen progressively herald the healthy resurgence of business, anticipated variously since early spring, and a consequent uptrend in interest rates particularly as they pertain to bond obligations, the bond market generally continues to do better. In the state and municipal bond phase of the market, new issue bidding has continued to be strong as investor interest has seemingly kept pace with the escalator type bidding and resultant higher pricing.

Business Stimulants Absent

Those who have been predicting higher interest rates and lower bond prices have assumed an industrial expansion improbable of achievement in view of the present economic, political and financial tendencies. The expansionist policies necessary to effectuate the dynamic recovery envisioned cannot be generally embraced by industry entirely by means of boot strap methods. Business must have help and incentive.

For example, most industry now possesses productive capacity to an excess and cannot reasonably expand capital expenditures. Moreover, the over-all tax situation continues to deprive not only our industry but our populace of their incomes to the extent of diminishing incentive. Unfortunately there is the spectre of even higher Federal taxation and the current reality of higher state and local taxation. With consumer demand showing little regeneration, it would seem unrealistic to expect a drastic change toward much brighter business prospects. Under present economic circumstances any change in the Federal Reserve's easy money policy seems to be more remote than imminent. Additionally it wouldn't seem to be in the political rule book.

Municipal Market Higher

The average yield of selected high grade tax-exempt bond offerings indicates that the market has improved by a quarter of a point over a week ago. The *Commercial and Financial Chronicle's* Index averages out at 3.345% as of Oct. 11, against 3.369% a week ago. This average yield has been gradually reduced each week since early September. The reduction has involved about five basis points for a market rise of three-quarters of a point.

The *Chronicle's* Index is based upon actual and not hypothetical offerings. Since all current offerings cannot be utilized the Index is predicated upon selected representative offerings.

Heavier Volume Ahead Suggests Realistic Bidding

Whereas new issue volume has been light for the last several weeks, with a particular void in the large negotiated issue category, the calendar is now expanded to more voluminous proportions. The total is now more in line with the seasonal norm. Within the next 30 days a total of at least \$530,000,000 is scheduled for competitive sale. Included are the offerings of five large

states: New York, California, Texas, Michigan and Kentucky. It continues to appear certain that the \$155,000,000 Florida Turnpike and \$55,750,000 Oklahoma Turnpike, Southwestern, issues may be brought to market during this period. These are Dillon, Read & Co. and Allen and Co. flotations, respectively.

The market's receptivity to this moderately heavy volume should be favorable providing that dealers may compete without progressively higher bidding. With the larger buyers now successfully purchasing bonds from many new issue syndicates at prices from 5 to 10 basis points below list, bidding procedures might well be revised to offset this profitless situation.

There might also be a better understanding as between the managers and members of syndicates as to offering terms, with a willingness to abide by adopted terms for a reasonable time at least. These terms might be more confidently adhered to in order to protect all interests, particularly in a fairly stable market situation such as the present one.

Inventory Pared

The inventory total has been reduced moderately during the past week, according to the *Blue List* state and municipal bond listings. The total reported at press time was \$437,500,000, against \$456,810,000 a week ago. The fervor of new issue bidding seems not to be slowed down until this total moves above the half-billion figure for a period of time. Within the easy money framework that now obtains, this general attitude toward inventory seems fairly well justified.

Recent Awards

Although the competitive new issue calendar was relatively light this week, a few important new issues came to market. On Thursday, Oct. 5, \$10,288,000 New Haven, Conn. general obligation (1963-1981) bonds attracted seven bids and were awarded to the group managed jointly by the Morgan Guaranty Trust Co. of New York, Kuhn, Loeb & Co. and the Continental Illinois National Bank and Trust Co. of Chicago. Among the other members of the account were Salomon Brothers & Hutzler, L. F. Rothschild & Co., Bear, Stearns & Co., Francis I. duPont & Co., and E. F. Hutton & Co. This "Aaa" issue was priced to yield from 1.70% to 3.20% with a 3% coupon. At this writing, \$5,135,000 bonds remain in account.

On Monday, Oct. 9, Seattle, Wash. brought to market two issues of water revenue (1967-1991) bonds aggregating \$7,000,000. Seattle officials expect that these bond issues will be the city's last significant water borrowings for about 15 years. When Phase 1 of the Tolt River Water Development Project is finished next year, the area's water supply should be adequate for two million persons—the present population is less than 900,000.

The larger issues, \$4,500,000 Water 1958 Series was awarded

to the Blyth & Co. group which also included Harriman Ripley & Co., Inc., Smith, Barney & Co., Kidder, Peabody & Co., White Weld & Co. and others. The re-offering scale carried yields from 2.50% to 3.65%. Yesterday afternoon's balance was \$2,730,000 bonds.

The syndicate headed by Halsey, Stuart & Co., Inc. was the high bidder for the smaller issues, \$2,500,000 Water 1961 Series. Other major members of the account were Blair & Co., Inc., Drexel & Co., Goldman, Sachs & Co., John Nuveen & Co., F. S. Smithers & Co. and B. J. Van Ingen & Co. The issue was priced to yield from 2.50% to 3.65%. The unsold balance is \$238,000 bonds.

Week's Big Award

On Tuesday, Oct. 10, Los Angeles, Calif. awarded at concurrent bond sales and in close bidding, \$27,500,000 Unified School District (1962-1986) bonds and \$7,500,000 Junior College District (1962-1986) bonds to the group managed by the Bank of America N. T. & S. A. Included among the many majors were First National City Bank of New York, Chase Manhattan Bank, Bankers Trust Co., Harris Trust and Savings Bank and First Boston Corp. Both issues were priced to yield from 1.50% to 3.60% with a 3½% coupon. Upon initial reoffering, the bonds were more than 75% sold and the present balance is \$6,000,000 bonds.

Also on Oct. 10, Asheville, N. C. sought bids on \$4,500,000 general obligation water (1963-1991) bonds. The high bid was submitted by the group managed by Halsey, Stuart & Co., Inc. and including as majors Drexel & Co., Blair & Co., Inc. and R. W. Pressprich & Co. The bonds maturing 1963 to 1990 were scaled to yield from 2.25% to 4.00%. The last maturity bore a quarter of one percent coupon and was reoffered at a 4.90% yield. Current balance is \$3,132,000.

Tuesday also saw the sale of \$5,395,378 Incline Village General Improvement District, Washoe County, Nev. various purpose (1964-1976) bonds, through negotiation, to the account headed by Goodbody & Co. and including Paine, Webber, Jackson & Curtis, Taylor & Co., Luce, Thompson & Crowe, Inc., and Boettcher & Co. The 9,000 acres which compose the district are located on the northern shore of Lake Tahoe and have been purchased by the Crystal Bay Development Co. for the purpose of building a planned community. Included among the major planned features are several hotels and motels, 7,000 homes, a marina, shopping center and golf course. The bonds are secured by fixed lien assessments upon the properties within the assessment district. The bonds are additionally secured by limited ad valorem taxes if such should ever be needed in order to assure the prompt payment of principal and interest on this issue.

The bonds, maturing from 1964 to 1973, were reoffered at 100 with coupons from 4½% to 5½%. The last three maturities were not reoffered. It appears that the demand for these obligations should be good.

The toll road issues have continued to do better individually

and as a group, since last reporting. On Sept. 28, the *Smith, Barney & Co. Turnpike Bond Index* averaged out at 3.86%. On Oct. 5, the last sampling date, the averaged yield was 3.80%. This reduction in yield represents a market improvement of over one point and is the largest weekly fluctuation recorded this year. During this

weekly period Calumet Skyway 3½s jumped five points, Florida Turnpike 3½s, Massachusetts Turnpike 3.30s, and Kentucky Turnpike, Eastern 4.80s were all up a point or more, and the list generally was substantially improved. Since the last average, Oct. 5, the Calumet bonds have slipped back a couple of points.

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of \$1,000,000 or more for which specific sale dates have been set.

Oct. 13 (Friday)				
Beaver College, Pa.	2,110,000	1964-2001	11:00 a.m.	
Oct. 16 (Monday)				
Dallas, Texas	9,600,000	1962-1981	1:45 p.m.	
Josephine County, Ore.	1,000,000	1962-1936	8:00 p.m.	
New York (State of)	48,700,000	1962-2001	Noon	
Otay Water District, Calif.	1,550,000	1965-1991	4:00 p.m.	
Warren Consol. Sch. Dist., Mich.	1,245,000	1933-1987	7:00 p.m.	
Oct. 17 (Tuesday)				
Caldwell County, N. C.	1,500,000	1963-1990	11:00 a.m.	
Clayton County Sch. Dist., Ga.	1,300,000	1962-1990	11:00 a.m.	
Hingham, Mass.	1,015,000	1962-1988	Noon	
Oak Park Sch. Dist., Mich.	3,500,000	1962-1990	8:00 p.m.	
Paris, Bridgewater & Litchfield Central School District 2, N. Y.	1,150,000	1962-1990	3:30 p.m.	
South Vermillion Sch. Corp., Ind.	1,220,000	1964-1988	1:00 p.m.	
Oct. 18 (Wednesday)				
California (State of)	100,000,000	1963-1987	10:00 a.m.	
Indianapolis Sanitary Dist., Ind.	4,800,000	1964-1993	10:00 a.m.	
Morehead State College, Ky.	1,400,000	1963-1991	1:00 p.m.	
Morehead State College, Ky.	1,102,000		11:00 a.m.	
Oct. 19 (Thursday)				
Jessamine County, Ky.	1,700,000	1962-1981	10:00 a.m.	
Menominee Falls, Butler & Lannon, Wis.	1,600,000			
Texas (State of)	25,000,000	1966-1991	10:00 a.m.	
University of California	2,843,000	1963-1935	Noon	
Xenia City Sch. Dist., Ohio	1,310,000	1962-1984	Noon	
Oct. 20 (Friday)				
Carter County, Tenn.	1,000,000	1970-1986	2:00 p.m.	
Waxahachie, Texas	1,127,000	1962-1991	2:00 p.m.	
Oct. 23 (Monday)				
Central State College, Okla.	1,600,000	1964-2001	10:00 a.m.	
Nashville, Tenn.	6,650,000			
Oct. 24 (Tuesday)				
Big Springs, Texas	1,125,000			
Boston, Mass.	4,450,000	1962-1981	Noon	
Chicago Board of Education, Ill.	8,500,000	1963-1981	11:00 a.m.	
Gary, Ind.	1,000,000	1963-1966	7:30 p.m.	
Honolulu City & County, Hawaii	6,210,000	1966-1991	2:00 p.m.	
Lafayette, La.	1,000,000	1964-1991	10:00 a.m.	
Michigan (State of)	35,000,000			
Millburn Twp. Sch. Dist., N. J.	3,067,000	1962-1985	8:00 p.m.	
Oklahoma Turnpike Author., Okla.	55,750,000			
[Negotiated sale to be handled by Allen & Co. syndicate.]				
Terre Haute, Ind.	6,300,000	1963-2001	2:00 p.m.	
Torrance Unified Sch. Dist., Calif.	1,000,000	1962-1981	9:00 a.m.	
Oct. 25 (Wednesday)				
Houston, Texas	8,435,000	1962-1986	10:00 a.m.	
Kansas City, Mo.	6,000,000	1965-1991		
Kentucky (State of)	40,000,000	1962-1990	11:00 a.m.	
Oct. 26 (Thursday)				
Blomington Sch. Dist. 271, Minn.	1,755,000	1975-1991	4:30 p.m.	
East Texas State College, Texas	3,475,000	1974-2001	10:30 a.m.	
Litchfield Co. Reg. S. D. 1, Conn.	1,150,000	1962-1981	11:30 a.m.	
Little Rock Sch. Dist., Ark.	1,503,000	1962-1930	11:00 a.m.	
Minneapolis, Minn.	2,160,000			
Pittsburgh and Allegheny County Public Auditorium Auth., Pa.	15,000,000	1962-2001	Noon	
Portland, Ore.	3,500,000	1964-1983	11:00 a.m.	
Oct. 27 (Friday)				
University of Missouri	2,550,000	1932-1986	2:30 p.m.	
Oct. 31 (Tuesday)				
Florida Turnpike Author., Fla.	160,000,000			
[Negotiated sale to be handled by Dillon, Read & Co. syndicate.]				
Fremont, Neb.	4,500,000	1962-1985	11:00 a.m.	
Ottumwa, Iowa	1,750,000			
Wayne County, Mich.	16,815,000	1966-2001		
Nov. 1 (Wednesday)				
Kansas City, Kansas	1,500,000			
Local Housing Authorities	80,000,000		Noon	
Nov. 2 (Thursday)				
Philadelphia, Pa.	19,000,000	1963-1987	Noon	
Nov. 4 (Saturday)				
Caddo Parish Sewer Dist. 5, La.	1,628,000	1962-1976	9:00 a.m.	
San Joaquin County, Calif.	5,500,000	1963-1975	1:30 p.m.	
Nov. 8 (Wednesday)				
Hawa'i (State of)	10,000,000	1964-1981		
Richfield, Minnesota	1,300,000	1964-1983		
Nov. 9 (Thursday)				
Vineland, N. J.	4,945,000	1962-1987	Noon	
Nov. 13 (Monday)				
Ascension-St. James Bridge & Ferry Authority, La.	30,750,000	2001	11:00 a.m.	
Nov. 14 (Tuesday)				
Amarillo, Texas	4,250,000			
Los Angeles Flood Control D., Cal.	20,000,000			
Orange County, N. C.	1,500,000	1963-1986	11:00 a.m.	

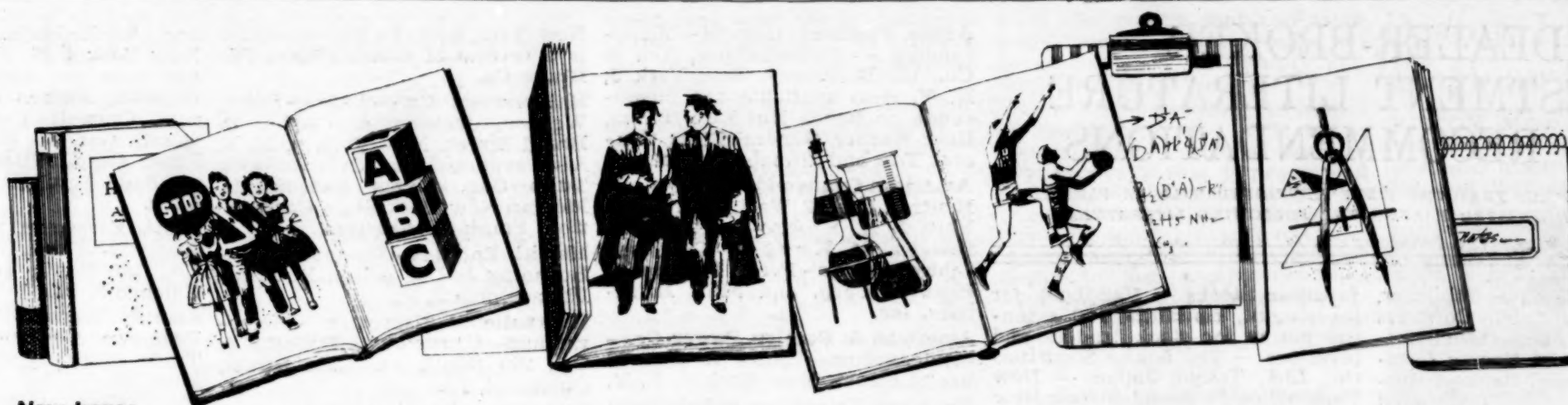
MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1978-1980	3.70%	3.55%
Connecticut (State)	3¾%	1980-1982	3.35%	3.25%
New Jersey Highway Auth., Gtd.	3%	1978-1980	3.35%	3.20%
New York (State)	3%	1978-1979	3.35%	3.20%
Pennsylvania (State)	3¾%	1974-1975	3.15%	3.05%
Vermont (State)	3½%	1978-1979	3.25%	3.10%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.30%	3.15%
Los Angeles, Calif.	3¾%	1978-1980	3.70%	3.55%
Baltimore, Md.	3¼%	1980	3.55%	3.40%
Cincinnati, Ohio	3½%	1980	3.45%	3.35%
New Orleans, La.	3¼%	1979	3.65%	3.55%
Chicago, Ill.	3¼%	1977	3.75%	3.60%
New York City, N. Y.	3%	1980	3.60%	3.55%

October 11, 1961 Index=3.3461%

Position Wanted—Female

Bookkeeper - legal - diversified experience. Box 1012 R, Commercial & Financial Chronicle, 25 Park Place, New York 7, N. Y.



New Issues

\$35,000,000 Los Angeles

Unified School District • City Junior College District

Los Angeles County, California

3½% Bonds

Dated November 1, 1961

Due November 1, 1962-86, incl.

Payment and Registration—Principal and semi-annual interest (May 1 and November 1) payable, at the option of the holder, at the office of the Treasurer of Los Angeles County in Los Angeles, California, or at any of the fiscal agencies of the County in New York, N. Y., or in Chicago, Ill. First coupon (annual) payable November 1, 1962. Coupon bonds in denomination of \$1,000 registrable only as to both principal and interest.

Tax Exemption—In the opinion of counsel, interest payable by the Districts upon their bonds is exempt from all present Federal and State of California personal income taxes under existing statutes, regulations and court decisions.

Legality for Investment—We believe these bonds are legal investments in New York for trust funds, and savings banks and in California for savings banks, subject to the legal limitations upon the amount of the bank's investment, and are likewise legal investments in California for other funds which may be invested in bonds which are legal investments for savings banks, and are eligible as security for deposits of public moneys in California.

Purpose and Security—These bonds comprise separate issues of two distinct districts. The bonds of each issue, in the opinion of counsel, constitute the legal and binding obligations of the issuing District and are payable, both principal and interest, from ad valorem taxes which may be levied without limitation as to rate or amount upon all of the taxable real property in the issuing District and which, under the laws now in force, may be levied without limitation as to rate or amount upon all taxable personal property, except certain classes thereof, in the issuing District.

Tax Gain, Amortization of Premium—These bonds will be initially issued by the above named political subdivisions at not less than their par value, and a taxable gain may accrue on bonds purchased at a discount. Investors are required under existing regulations to amortize any premium paid thereon.

Legal Opinion—The above bonds are offered when, as and if issued and received by the underwriters listed below as well as other underwriters not shown, whose names will be furnished on request, and subject to approval of legality by Messrs. O'Melveny & Myers, Attorneys, Los Angeles, California, a copy of whose legal opinion will be printed on each bond.

ISSUES, AMOUNTS, MATURITIES AND YIELDS OR PRICES

(Accrued interest to be added)

\$27,500,000

Los Angeles Unified School District
Election 1960, Series C

\$7,500,000

Los Angeles City Junior College District
Election 1960, Series B

Unified School	Junior College	Due	Yield or Price
\$1,100,000	\$300,000	1962	1.50%
1,100,000	300,000	1963	1.85%
1,100,000	300,000	1964	2.15%
1,100,000	300,000	1965	2.35%
1,100,000	300,000	1966	2.50%
1,100,000	300,000	1967	2.60%
1,100,000	300,000	1968	2.70%
1,100,000	300,000	1969	2.80%
1,100,000	300,000	1970	2.90%
1,100,000	300,000	1971	3.00%
1,100,000	300,000	1972	3.10%
1,100,000	300,000	1973	3.20%
1,100,000	300,000	1974	3.30%
1,100,000	300,000	1975	3.35%
1,100,000	300,000	1976	3.40%
1,100,000	300,000	1977	3.45%
1,100,000	300,000	1978	3.45%
1,100,000	300,000	1979	100
1,100,000	300,000	1980	100
1,100,000	300,000	1981	100
1,100,000	300,000	1982	3.55%
1,100,000	300,000	1983	3.55%
1,100,000	300,000	1984	3.60%
1,100,000	300,000	1985	3.60%
1,100,000	300,000	1986	3.60%

Bank of America N. T. & S. A.	The First National City Bank of New York	The Chase Manhattan Bank	Bankers Trust Company	Harris Trust and Savings Bank	The First Boston Corporation	The First National Bank of Chicago
Smith, Barney & Co.	Security First National Bank	Wells Fargo Bank	United California Bank	Continental Illinois National Bank and Trust Company of Chicago	Chemical Bank	New York Trust Company
The Northern Trust Company	Lazard Frères & Co.	C. J. Devine & Co.	Glore, Forgan & Co.	Merrill Lynch, Pierce, Fenner & Smith Incorporated	Dean Witter & Co.	
R. H. Moulton & Company	The First National Bank of Oregon	Seattle-First National Bank	The Philadelphia National Bank	Equitable Securities Corporation	Bear, Stearns & Co.	
Mercantile Trust Company	Reynolds & Co.	Hornblower & Weeks	Ladenburg, Thalmann & Co.	John Nuveen & Co. (Incorporated)	Wertheim & Co.	First Western Bank and Trust Company Los Angeles, Calif.
Ira Haupt & Co.	Paribas Corporation	L. F. Rothschild & Co.	E. F. Hutton & Co. Incorporated	Bacon, Whipple & Co.	William Blair & Company	Clark, Dodge & Co. Incorporated
First National Bank in Dallas	First Southwest Company	Fitzpatrick, Sullivan & Co.	Hirsch & Co.	W. E. Hutton & Co.	Lee Higginson Corporation	Lyons & Shatto Incorporated
Mercantile National Bank at Dallas	W. H. Morton & Co. Incorporated	New York Hanseatic Corporation	Wm. E. Pollock & Co., Inc.	Republic National Bank of Dallas	Roosevelt & Cross Incorporated	
Stone & Youngberg	Taylor and Company	Trust Company of Georgia	G. H. Walker & Co.	James A. Andrews & Co. Incorporated	City National Bank & Trust Company Kansas City, Mo.	Coffin & Burr
Commerce Trust Company Kansas City, Mo.	Cruttenden, Podesta & Co.	R. S. Dickson & Company Incorporated	Francis I. duPont & Co.	Gregory & Sons		
The Illinois Company Incorporated	Kenower, MacArthur & Co.	Laidlaw & Co.	Irving Lundborg & Co.	McMaster Hutchinson & Co.	National State Bank of Newark	Shuman, Agnew & Co.
Stern, Lauer & Co.	Stroud & Company Incorporated	Chas. E. Weigold & Co. Incorporated	Wells & Christensen Incorporated	Blunt Ellis & Simmons	Ernst & Company	Field, Richards & Co.
The First National Bank of Memphis	Ginther & Company	J. B. Hanauer & Co.	Henry Harris & Sons Incorporated	Kean, Taylor & Co.	A. M. Kidder & Co., Inc.	Spencer Trask & Co.
Van Alstyne, Noel & Co.	Bacon, Stevenson & Co.	Robert W. Baird & Co. Incorporated	Burns, Corbett & Pickard, Inc.	C. F. Childs and Company	Dallas Union Securities Co., Inc.	
Fahey, Clark & Co.	Federation Bank and Trust Co.	The First National Bank of Miami	First National Bank in St. Louis	The Fort Worth National Bank		
Horner, Barksdale & Co.	Hutchinson, Shockey & Co.	Kalman & Company, Inc.	Moroney, Beissner & Co., Inc.	Seasongood & Mayer	Seattle Trust and Savings Bank	
Stubbs, Watkins & Lombardo, Inc.	Thornton, Mohr, Farish & Gauntt, Inc.	Tripp & Co., Inc.	Robert Winthrop & Co.	Wood, Gundy & Co., Inc.		

October 11, 1961

A circular relating to these bonds may be obtained from any of the above underwriters, as well as other underwriters not shown whose names will be furnished on request.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED
TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Bank Stocks—Review—Schirmer, Atherton & Co., 50 Congress Street, Boston 3, Mass. Also available are reviews of **Boeing Company**, **First National Bank of Boston**, **Bowl-Mor Co., Inc.** and **Whitin Machine Works**.

Bond Market—Review—Salomon Brothers & Hutzler, 60 Wall Street, New York 5, N. Y.

Canadian Common Stocks—Comparative figures as of Sept. 18, 1961—Equitable Brokers Limited, 60 Yonge Street, Toronto 1, Ont., Canada.

Canadian Oil Industry—Memorandum—G. W. Nicholson & Co., Ltd., 67 Richmond Street, West, Toronto, Canada.

Canadian Steel Industry—Memorandum—Draper Dobie & Company, Ltd., 25 Adelaide Street, West, Toronto, Canada. Also available is a memorandum on **Canadian Natural Resource Companies**.

Color TV—Discussion in October issue of "Exchange" Magazine—The Exchange Magazine, Department 7, 11 Wall St., N. Y. 5, N. Y. —20c per copy, \$1.50 per year. Also in the same issue are discussions of **LP Gas** and **High Speed Stock Tables**.

Dividend Payers—Selected list of long-term dividend payers yielding 4% or more—Courts & Co., 11 Marietta Street, N.W., Atlanta 1, Ga. Also available is a memorandum on **Orkin Exterminating**.

Financial Equities—Survey—E. F. Hutton & Company, 1 Chase Manhattan Plaza, New York 5, N. Y. Also available are discussions of **Transamerica**, **C. I. T. Financial**, **First Charter Financial**, **Marine Midland** and **Mill Factors**.

Investment Companies—Survey—Thomson & McKinnon, 2 Broadway, New York 4, N. Y. Also available is a report on **J. Ray McDermott & Co.**

Japanese Electronics Industry—Analysis—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y.

Japanese Market—Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available is an analysis of **Tokyo Electric Power Co. Ltd.**

Japanese Market—Survey—Daiwa Securities Co., Ltd., 149 Broadway, New York 6, N. Y.

Japanese Stocks—Handbook for investment, containing 20 essential points for stock traders and investors—The Nikko Securities Co., Ltd., Tokyo, Japan—New York office 25 Broad Street, New York 4, N. Y.

Merchandising Stocks—Review—Shearson, Hammill & Co., 14 Wall Street, New York 5, N. Y.

Metropolitan Los Angeles—Comprehensive 40-page study illustrated in color—Bank of America, N. T. & S. A., 300 Montgomery Street, San Francisco 20, Calif.

New York City Banks—Comparative figures on largest banks in New York City—Bankers Trust Company, Bond Department, 16 Wall Street, New York 15, N. Y.

New York City Banks—Comparative figures on 10 leading banks—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y.

Over-the-Counter Index—Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 23-year period—National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Railroads—Discussion of Outlook—Butler, Herrick & Marshall, 76-11 37th Avenue, Jackson Heights 72, N. Y.

Rubber Companies—Bulletin—Goodbody & Co., 2 Broadway, New York 4, N. Y. Also available is a memorandum on **Pubco Petroleum Corp.**

Selected Common Stocks—Brochure—Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York 5, New York.

Silver—Review—Hemphill, Noyes & Co., 8 Hanover Street, New York 4, N. Y. Also available is a discussion of **National Cash Register Co.**

Taxable and Tax Exempt Bonds—Discussion—Francoeur & Company, 39 South La Salle Street, Chicago 3, Ill.

Aileen Inc.—Analysis—G. A. Saxton & Co., Inc., 52 Wall Street, New York 5, N. Y.

Allied Radio—Memorandum—Robert J. Levy & Co., First National Bank Building, Chicago 3, Ill.

Alpha Portland Cement—Memorandum—Oppenheimer, Neu & Co., 120 Broadway, New York 5, N. Y. Also available are memoranda on **Beech Nut Life Savers**, **Borg Warner**, **General Cigar**, **General Tire** and **Illinois Central**.

American Cyanamid—Review—H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available are reviews of **Kroger Company**, **Libby - Owens - Ford**, **Paramount Pictures Corp.** and **MSL Industries, Inc.**

American & Foreign Power Co.—Memorandum—Hardy & Co., 30 Broad Street, New York 4, N. Y.

American Telephone & Telegraph Co.—Analysis—H. L. Robbins & Co., Inc., 10 Post Office Square, Boston 9, Mass.

Assembly Engineers Inc.—Report—California Investors, 3932 Wilshire Boulevard, Los Angeles 19, Calif.

Avco Corporation—Analysis—A. C. Allyn & Co., 122 South La Salle Street, Chicago 3, Ill. Also available is an analysis of **Central Soya Co., Inc.**

Bankers National Life Insurance Company—Report—Charles A. Taggart & Co., Inc., 1516 Locust Street, Philadelphia 2, Pa.

Birchler Corporation—Analysis—North's News Letter, 414 Mason Street, San Francisco 2, Calif. (\$2 per copy).

Collins & Aikman—Memorandum—J. W. Sparks & Co., 120 Broadway, New York 5, N. Y. Also available is a memorandum on **Western Union**.

Coak Coffee Company—Analysis—Murch & Co. Inc., Hanna Bldg., Cleveland 15, Ohio.

Dallas Airmotive—Analysis—Eppler, Guerin & Turner, Inc., Fidelity Union Tower, Dallas 1, Texas.

Del Electronics Corp.—Analysis—Lenchner, Covato & Company, Inc., Bigelow Building, Pittsburgh 19, Pa.

Denver Real Estate Investment Association—Analysis—Bosworth, Sullivan & Company, Inc., 660 Seventeenth Street, Denver 2, Colo.

Denver & Rio Grande—Review—Newburger & Co., 1401 Walnut Street, Philadelphia 2, Pa. Also available are reviews of **Ferro Corporation**, **S. S. Kresge Co.**, **Kroger Co.**, **McGraw-Hill Publishing Co.**, and **National Biscuit Co.**

Dome Petroleum Limited—Analysis—Annett Partners Limited, 220 Bay St., Toronto, Ont., Canada.

Draper Corporation—Report—Sutro Bros. & Co., 80 Pine Street, New York 5, N. Y. Also available is a report on **Pacific Inter-Mountain Express Co.**

Electrolux Corporation—Analysis—Hayden, Stone & Co., 25 Broad Street, New York 4, N. Y.

Fed-Mart Corporation—Analysis—Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y. Also available is an analysis of **J. J. Newberry Co.**

Four Star Television—Report—Black & Company, Inc., American Bank Building, Portland 5, Ore.

General Dynamics Corp.—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y.

General Electric Company—Analysis—Hill, Darlington & Grimm, 2 Broadway, New York 4, N. Y. Also available is a discussion of **Amerace Corp.**

General Electric—Review—Hirsch & Co., 25 Broad Street, New York 4, N. Y. Also available is a review of **Olin Mathieson**.

Glasrock Products Inc.—Memorandum—Aetna Securities Corporation, 111 Broadway, New York 5, N. Y.

Grinnell Corporation—Analysis—Bacon, Stevenson & Co., 39 Broadway, New York 6, N. Y.

Halliburton Company—Review—Fahnestock & Co., 65 Broadway,

New York 4, N. Y. Also available is a review of **Westinghouse Air Brake Co.**

Hallcrafters Co.—Data—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, N. Y. Also available are data on **Lily Tulip Cup**, **Sigma Instruments**, **Morgan New York State Corporation**, **Frank G. Shattuck**.

Hewitt Robbins—Memorandum—Boenning & Co., Alison Building, Philadelphia 3, Pa.

International Harvester—Memorandum—Cruttenden, Podesta & Co., 209 South La Salle Street, Chicago 4, Ill.

Interstate Vending Company—Analysis—Bear, Stearns & Co., 1 Wall Street, New York 5, N. Y.

Jefferson Construction Co.—Memorandum—J. J. Bruno & Co., 713 Liberty Avenue, Pittsburgh 22, Pa.

Mesabi Trust—Memorandum—Josephthal & Co., 120 Broadway, New York 5, N. Y.

Metropolis Bowling Centers, Inc.—Analysis—Russell & Saxe, 50 Broad Street, New York 4, N. Y.

Micro Metals Corp.—Analysis—Harris Securities Corporation, 79 Wall Street, New York 5, N. Y.

Pacific Air Lines—Memorandum—Walston & Co., Inc., 265 Montgomery Street, San Francisco 4, Calif.

Panacolor—Memorandum—Adams & Peck, 120 Broadway, New York 5, N. Y.

Rockwell Manufacturing Co.—Analysis—Moore, Leonard & Lynch, Union Trust Building, Pittsburgh 19, Pa.

Schenley Industries—Chart memorandum—Auchincloss, Par-

ker & Redpath, 2 Broadway, New York 4, N. Y. Also available are data on **Airwork**, **Bestwall Gypsum**, **Clifton Precision Products**, **Crowell - Collier**, **Commonwealth Gas**, **Ets Hokin & Galvan**, **Fluor Corp.**, **Gilchrist Co.**, **Monroe Auto Equipment**, and **Spencer Shoe**.

Scott, Foresman and Company—Analysis—Freehling, Meyerhoff & Co., 120 South La Salle Street, Chicago 3, Ill.

Stanley Warner—Memorandum—Uhlmann & Co., Inc., Board of Trade Building, Kansas City 5, Missouri.

State Loan & Finance Corp.—Survey—Shields & Company, 44 Wall Street, New York 5, N. Y. Also available is a report on **White Motor Co.**

Studebaker-Packard Corp.—Review—Bache & Co., 36 Wall St., New York 5, N. Y. Also available are data on **Ryan Aeronautical Company**, **Carlisle Corp.**, **Opelika Manufacturing Corp.** and **Munsingwear, Inc.**

Texas Guif Producing—Memorandum—F. M. Mayer & Co., 30 Broad Street, New York 4, N. Y.

Unilever—Analysis—Dean Witter & Co., 45 Montgomery Street, San Francisco 6, Calif.

Veeder Root—Memorandum—Scott & Stringfellow, Mutual Building, Richmond 13, Va.

Voi-Shan Industries Inc.—Report—Holton, Henderson & Co., 621 South Spring Street, Los Angeles 14, Calif.

Whippany Paper Board—Memorandum—Van Alstyne, Noel & Co., 40 Wall Street, New York 5, N. Y.

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Profit Is People's Business

By George A. Newton,* President, Investment Bankers Association of America and Partner, G. H. Walker & Co., St. Louis, Mo.

Investment bankers' spokesman is apprehensive of the danger to our economy and our position in the present world struggle caused by failure of profits to grow. He is, also, alarmed at the prevailing lack of understanding of profit's crucial role to our society's economic advancement. He appeals to investment bankers to assume the position of leadership in a campaign to explain to one and all, in a language everybody can understand, why profits are essential to our survival.

We find ourselves in a world struggle which is no longer just social and political, but economic as well. Where decisions and developments in any one area affect greatly the others.

In the economic area the United States has relied principally on Grants in Aid and Loans. These have been effective to some extent. The Marshall Plan and related aid programs serve as the delaying action—but what happens when this sort of ammunition runs out? Fortunately, under the leadership of the World Bank, the loan programs have been achieving greater success and have enabled the free world to mount a few offensives of its own—but for the long pull resources may be somewhat limited.

Yet in its economic arsenal, almost unused, this country has the most devastating weapon of all—Profits. Somehow in the commotion and emotion of social and political ideologies "Profits" has become a stepchild. From the way Profits are treated and sometimes ignored one might even think they were illegitimate. As a matter of fact, William McDonnell, Chairman of the Board of the First National Bank in St. Louis has said, "In some quarters making profits is looked at as akin to piracy."

Attack on Profits

Why is it Profits are constantly under attack, both directly and indirectly? They are discredited by innuendo, referred to as unconscionable, generally by persons who know little about the business from which they were generated. Management of profitable enterprises sometimes are called "profiteers." Even corporate management and businessmen seem almost apologetic about profits for more and more in their advertising, emphasis is placed on service to the community and contributions to civic projects. This is necessary and good but is it not time they point out that profits made all this possible, that they are in business to make a Profit and have been successful, why Profits are important to all, and the good they do for everyone. Profits are buffeted by foreign competition, snatched at by labor and half confiscated by government.

I don't want to get carried away by all of this but to use the vernacular of the teenager I'm still "shook up" over reading in the newspaper that the President of this so-called land of free enterprise threatened an industry with reprisals if it raised prices to cover increased costs. Costs, to say the least, the government has done little to stabilize. All of this becomes the more startling when he says he does so because his advisors tell him the profits will be good enough without price increases. I don't want to see price increases either, but why pick on Profits? Is it not time to start dealing with fundamentals? It is

estimated that 20% of our economy is directly regulated by government. Is the balance to be done so by threats or edict?

The strength of this nation was bred of free enterprise and catapulted to greatness on the fruits of private capital. Its life blood is Profits but today it is pretty anemic.

Over the past 10 years almost everything has increased. National income has practically doubled, what about corporate Profits? Corporate profits after taxes actually were a little less, amounting to \$22.7 billion in 1960 as against \$22.8 billion back in 1950. What would happen if corporate ownership followed the example of others and struck for higher profits? What consternation!

Examines Profit Ratios

But it is no laughing matter. What about corporate profit after taxes as related to national incomes, sales, and return on investment.

As to national income, for the period 1946-50 it averaged 8.5%; for the period 1951-56 it averaged 6.3%; for the period 1957-60 it averaged 5.6%; and for the first quarter of 1961 it was only 4.9%. It makes me feel like a losing bidder at an auction, "Going, Going, Gone!"

As to sales, U. S. manufacturing corporations have found profit after taxes continually under 5%. For instance, since 1953 there were only two years it barely hit 5% of sales and then only by a whisker; for the first quarter of 1961 it was running only 3.5% of sales.

Return on investment has been equally disappointing. In the early 1950s a leading industrialist was shocked because profit after taxes for U. S. manufacturing corporations was barely averaging 12% on investment. Today I fear he would be fatally electrocuted because for U. S. manufacturing corporations return on investment after taxes hasn't hit 12% since 1956; in the peak year of 1959 it was only 10.2%, had been down to 8.4% in 1958, and was 9.1% in 1960; and for the first quarter of 1961 it fell to 6.8%.

During this period of declining profits the rate of economic growth also declined and unemployment increased. A rapidly growing economy requires a high rate of investment. Under free enterprise a high level of investment can not be sustained by low level profit. In spite of all this there is talk of raising corporate taxes and taking other steps that will further discourage investment of capital.

Happily, the importance of Profits is being recognized in some places. A Boston newspaperman in discussing the unemployment situation wrote earlier this year, "There are some simple A B C's of business which cannot be camouflaged under a diarrhea of words. Business in the United States is motivated mainly by a quest for profits. Despite the hundred of billions which have been added to corporate plant in the last decade, despite the vast increases during this period in corporate gross, net profits after taxes of all American corporations in 1960 were probably no greater than they were in 1950."

"And that simple fact, in spite of all the million words that the

politicians and their economic hired men bombard us with, is the nub of the unemployment program.

"The only way to combat unemployment which will work, is to create a business atmosphere where businessmen will want to expand and hire more people.

"We have to confess that as yet we cannot discern a trend in official Washington to abandon the old phony patent medicines and get back to first principles. Emphasis continues to be placed upon Federal deficits and manipulation of bank reserves. They keep on playing with inflationary devices when the times call for just the opposite."

In quoting him, we cannot be accused of bias or partiality for in the same column he was describing a recent visit to Wall Street and said "Go into some of the brokerage offices in New York City, as we did last week during our stay there, and look around at the faces. It does not look much like a Phi Beta Kappa Convention."

Profits as a Business Indicator

The National Bureau of Economic Research has added Profits After Taxes to its list of Leading Indicators (Corporate profits after taxes reached a peak in the second quarter of 1959, a year before the 1960-61 recession.)

A special report prepared by the Bureau of the Census for the President's Council of Economic Advisors, included in its list of leading indicators, corporate profits after taxes as a percent of sales, and also included the ratio of manufacturer's prices to labor cost per unit.

I don't know what this means either, but it's there for those who like to look at the record; and I do know our task is to get more people to look at the record and recognize Profits for what they really are, that Profits pay dividends and wages, but they also make possible wage increases, provide the only real job security and enable business and industry to better withstand economic adversity; that ingenuity is needed to vividly illustrate so all will understand that more jobs result from Profit because more money can be spent on research, greater risk assumed expanding, better products and services supplied the public; that profitable companies contribute more to government, the community and non-profit organizations.

But the outspoken advocates of Profits are few. It is not a popular task, perhaps because Profits means that someone had to work, someone had to put up money, someone had to think and assume responsibility. It has been pointed out that even the Lord began to lose popularity when those around him found some of the responsibility was theirs and they were not getting something for nothing very long.

Appeals to Investment Bankers

The Investment Banking Industry has long been accused of being reactionary, always against things. Yes, we are against things that jeopardize free enterprise, and there are so many. But is this not the chance to support an affirmative program; an opportunity for the Investment Banker to assume a position of leadership in the economic sector where his greatest talents lie; his responsibility to be the champion of Profits. "Profits for survival!" Corny, maybe, but indicative that the story must be told in language the people understand. Everyone who wants to can be the captain of his team. Every player can be an All-American but we can't be spectators—the price is too high—and we can't wait until the 9th inning to start looking around for our bat and glove because the other guy's already got the ball.

The wind has been blowing in many places and is spreading, the time to get ready is now. In our free enterprise system based on private capital the rallying point is Profits, for "Profit is Everybody's Business."

*An address by Mr. Newton before the New York Group of the Investment Bankers Association, New York City, Oct. 4, 1961.

Arlington Secs. Formed

WASHINGTON, D. C.—Arlington Securities, Inc., has been formed with offices at 1511 K Street, N. W. to engage in a securities business. Officers are Harold J. Casto, President and Treasurer; Diane Tapner, Vice-President; and James R. Jones, Secretary. All were formerly with Columbian Financial Corp.

Boston Inv. Club To Hear Rotnem

BOSTON, Mass.—The Boston Investment Club will hold its regular dinner meeting at the Harvard Club on Wednesday, Oct. 25, at 5:30 p.m. The guest speaker will be Ralph A. Rotnem, a partner in charge of the Research Department of Harris, Upham & Company of New York. He has been a member of this firm since 1929.



Ralph A. Rotnem

Mr. Rotnem is a graduate of the University of Minnesota, class of 1925, and also of the Harvard Business School, class of 1929. Mr. Rotnem is a member of several organizations in both these universities; he is also a member of the Wall Street Forum, and an associate member of the Association of Customers' Brokers.

He is Associate Editor of the *Financial Analysts Journal*, a director of the Nelson Fund, Incorporated, ex-President of the New York Society of Security Analysts, and ex-Vice-President of the National Federation of Financial Analysts Societies.

Mr. Rotnem will discuss the stock market outlook.

Stern, Frank Co. To Admit Partner

LOS ANGELES, Calif.—Stern, Frank, Meyer & Fox, 325 West Eighth Street, members of the New York and Pacific Coast Stock Exchanges, on Nov. 1 will admit Albert J. Ghersen to Partnership.

Lee Elson Opens

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Lee Elson is conducting a securities business from offices at 8348 Beverly Blvd. Robert S. Beaver and Donald S. Roberts are associated with Mr. Elson.

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October 11, 1961

An Answer to Trustee's Dilemma on Growth Stocks

By Russell J. Clark, Investment Counsellor
San Francisco, Calif.

Former Bank of America trust officer submits that Robert R. Duncan's solution to "the Trustee's Dilemma" (the "Chronicle," June 29, p. 18 ff.) "still keeps the trustee on the hook with the requirement to invest in stocks which have the reasonable expectation of increasing in value while they continue to provide a living for the income beneficiaries." Mr. Clark suggests here how he would solve the dilemma. It is directed to those trusts which can be amended, future trusts and excludes, for obvious reasons, most trusts currently in existence. The investment counsellor suggests in an appendix a comprehensive trust provision which would allow investment in low-yielding or non-income producing securities of dynamic firms, "peel off" principal, enlarged investment and discretionary payment powers, and the prudent trustee to act like a prudent investor who looks at overall performance—i.e., a variable trust similar but superior to a variable annuity.

"How are we to reconcile the duty of the trustee not to speculate, to produce a reasonable income for the life tenant, and to protect the remainderman from the erosion caused by the forces of inflation?" asks Mr. Robert R. Duncan, President of the Trust Division of the American Bankers' Association, in posing the Trustee's Dilemma, as reported in the June 29, 1961 issue of the *Commercial and Financial Chronicle*. Mr. Duncan feels that, "no one rule can be laid down which will point the way out of the dilemma in all cases," but he still keeps the trustee on the hook with the requirement to invest in "stocks which have the reasonable expectation of increasing in value while they continue to provide a living for the income beneficiaries."

When the Prudent-Man Rule (or Massachusetts Rule of Trust Investment) was first advocated for adoption in the 1930's and 1940's in states other than Massachusetts by the late, great Mayo Shattuck, a Boston attorney and then a member of the firm of Haussermann, Davison and Shattuck of that city, it appeared to be the answer to the progressive trustee's prayer. With the steady erosion of the dollar and the increasing management policy of



Russell J. Clark

dynamic and rapidly growing companies to use a substantial part, if not all, of their earnings and depreciation to finance their growth, knowledgeable trustees became increasingly frustrated. Since such companies paid little or no dividends the great majority of trustees had to stand by and see valuable investment opportunities lost. Their trusts were threatened by stagnation value-wise, but what was even worse, the beneficiaries, both income tenants and remaindermen, suffered severely from the standpoint of diminished purchasing power. At the same time the prudent man as an investor was taking advantage of investment opportunities which were easier picking than shooting fish in a rain barrel.

Obviously this has not been a happy state of affairs for the competent and conscientious trustee. In addition to being haunted by the shibboleth of maintenance of the dollar amount of trust principal, with its accompanying anachronism of maintenance of value of individual securities as opposed to judging the trustee's record on the overall value of a trust, the trustee was confined to investment in securities giving an immediate greater income than could be secured through the purchase of growth issues. All this was notwithstanding the broad reaches of the Prudent-Man Rule, if the trustee were indeed so fortunate as to have such an investment authority.

Incidentally, I believe it is safe to say that both the shibboleth and the anachronism are disappearing. Maintenance of the dollar value of a trust over a period of years

has been a source of unhappiness to beneficiaries in many instances. Common trust funds are helping to establish the overall record as opposed to the individual item approach as a measure of the trustee's investment results.

Our state legislatures will not, and as a matter of fact probably cannot, legally change the status or powers of trustees under existing instruments if there is re-vamping of property interests between life beneficiaries and remaindermen. The courts of equity would declare unconstitutional any statutes or changes in state codes which would attempt anything other than a change in the administrative law. On the other hand, the courts themselves are powerless even in Common Law states to in any way extend the terms of an instrument beyond the expressed intent, regardless of how desirable and beneficial such a change might be to both the life tenant and the remainderman.

Can Something Be Done?

The question is, therefore, can something be done by the active professional fiduciaries, with the help and cooperation of the legal profession, accountants, securities, tax and other financial advisers, to eliminate the investment strait jacket under which most trustees operate today? For those trustees under presently existing wills and irrevocable trusts, the answer is that little can be done. But for those administering revocable or amendable trusts, and ultimately for trustees of wills which have not yet matured, the answer is yes.

The solution is a comprehensible provision which would authorize the trustee to invest in low- or zero-yielding securities if, in the trustee's judgment as a prudent investor for the trust, such securities have adequate potential in terms of future income and appreciation in value. (See Appendix.) Such investments must be in the interests of the life tenant and remainderman. The trustee, however, should be authorized, without being held to account for past or future changes in value, to sell such securities or to sell others, whether they have capital gains or not, to supplement income payments to the life tenant. Thus the trustee can approximate the income from trusts invested with greater emphasis on immediate income-producing investments.

Advantages of "Peeling Off"

A provision such as the above might be labeled a "peel off." It should be in addition to the usual authority to invade principal for

emergencies. Obviously the terms of the provision should be adequate to fully protect the trustee so long as he acts in good faith and administers the trust as a prudent man would under such an authorization.

The advantages of enlarging the trustee's powers by "peeling off" a portion of the principal for payment to current beneficiaries are real and not imaginary. Briefly, a few of the advantages are: First, from an investment standpoint, to enlarge trustee's powers so that low-yielding or non-income producing securities can be purchased will enable the trustee to invest in more dynamic companies. The management of these companies, through the use of profits and depreciation cash throw-off, have been venturing into new fields through their rapidly expanding research and development programs. Improvement in values have followed, but higher dividends have had to wait and in many cases the dividends are too meager for the trustee where current income is a must. If the trustee, however, has authority to resort to the use of capital gains either directly or indirectly or increase payments from the trust to the life tenant, representation can be secured in such growth companies.

Static vs. Flexible Performance

Second, enlarged investment and discretionary payment powers for the trustee make for both happier life tenants and happier remaindermen. If the trustee may invade the principal of a trust to increase current payments by disposal of a portion of the principal of the trust if necessary, the life tenant will receive as much income as he would from a trust invested in a more lethargic portfolio. Even though a portion of the increase in value may have been paid out to him, increased dividends which follow growth in earning power will result ultimately in higher trust income through larger dividends on the balance. On the other hand, the remainderman will receive a greater principal at termination than had a more static portfolio been maintained. Since the total of income and increase in value benefit both beneficiaries, the trustee can satisfy his obligation to the life tenant and remainderman and act in an impartial manner for both.

Third, tax-wise, enlarged powers can result in substantial advantages to the life tenant without any real detriment to the remainderman. In resorting to capital gains from a dynamic portfolio to supplement the life

tenant's income, the tax on such capital gains would be in lower brackets than ordinary dividends. Not only that, the trust creator can probably provide whether capital gains are to be taxable to the trustee or to the income tenant. In instances where non-capital gain assets are sold the program would result in no tax either to trustee or beneficiary.

Fourth, under such a provision, the trustee has the further advantage of being authorized to retain securities that have substantial capital gains, as well as substantial potential, if their retention is advisable from the standpoint of good investment judgment.

Allowing Prudent Trustee To Be Prudent Investor

While today's prudent man cannot speculate if he is to operate within the confines of the designation "investor", he must be sure that all companies in which he invests the common stock portion of his investment portfolio are dynamic in their research and development programs as well as in their earnings record. Further, the prudent investor in common stocks should not, and in increasing instances does not, because of the existence of other income, consider yield as important as a favorable earnings record, including a satisfactory earnings trend and potential. Dividend payment capacity and willingness to pay dividends cannot be overlooked.

The manner in which the profits of a company are employed by management, however, is probably more important today than dividends. If this means "by growth obsessed" we only need remember that a change in market values can wipe out within a very short time the income which could be received not only for a one-year period but even for a period of years. And this is true whether the stocks are "growth" or "income" stocks. Most trust men have had ample opportunity to see instances where the so-called "conservative" approach has proven disastrously speculative by any standards. Obviously the prudent man as an investor looks at his over-all performance, both income- and value-wise. The prudent trustee should be authorized to do likewise.

If preservation of dollar value of principal is of primary importance, however, fixed income securities with appropriate maturities should be the investment medium.

Summary

In summary, all persons, foundations, corporations or organizations in creating trusts should

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October 12, 1961

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authorize the trustee to use unfettered judgment in the selection of common stocks. The selection should be regardless of the current dividend payments. Where current distributions are important, all instruments should contain a provision which will allow the trustee to "peel off" principal, either through use of capital gains or otherwise, so that the trustee may thereby increase payments to the life tenant. The life tenant should in any event receive that amount of income, supplemented by payment from principal, which would be comparable to income received from a trust invested primarily on an income basis.

What I am advocating is a variable trust. It is similar in the final analysis to the variable annuity which has received so much attention in the past few years. The trust, however, possesses a number of advantages over the annuity such as: (1) it makes possible a close relationship between the trustee and the beneficiaries, (2) it can provide authority in the trustee to exercise discretion in determining the amount of principal payments to the life tenant, (3) it can provide that the trustee may determine the time and type of assets to be sold to secure funds for payment from principal to the income beneficiary, and (4) it can give authority to the trustee to invest in low- or non-income producing securities if deemed in the best interests of both life tenant and remainderman, thereby giving the trustee unreserved power to meet the challenge which Justice Putnam, in *Harvard College vs. Amory*,* so succinctly warned about with his famous words, "Do what you will, your capital is at risk."

APPENDIX

The following is an example of the type of provision that may be used in trust instruments. It has been reviewed by San Francisco counsel and, of course, does not necessarily apply to all situations or places. Local counsel should be consulted as to any particular trust instrument; in which this provision may be incorporated:

Anything in my Will or in any code, statute or legal decision of any state or the United States of America to the contrary notwithstanding, my trustee, to the extent it deems such purchase or purchases in the interest of the life tenants and remaindermen, may invest the funds of the trust in low- or zero-yielding securities or other assets which, in the judgment of my trustee, have adequate growth potential to provide a satisfactory investment ac-

* This case, decided in the year 1830, initiated the Prudent-Man Rule of Trust Investment. As Mr. Duncan said in his address, it has been the fountainhead of wisdom on trust investment in Massachusetts for 131 years. It is now, in one form or another, the rule in a great majority of states.

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complishment in terms of future income and/or appreciation in value.

Subsequent to purchase, I authorize my trustee at any time and from time to time, in all cases and time or times, to be determined by my trustee without being held to account for past or future changes in value either of the securities or assets or the value of the trust itself, to sell either all or part of such low- or zero-yielding securities or assets or to retain them and sell instead other securities or assets, whether of the same type or otherwise. After paying any capital gain or similar taxes which may be due as a result of any such sale or sales, I authorize my trustee to use and distribute the net proceeds or any part thereof that it may deem advisable to supplement the income of the life tenants of the trust. It would be my intent generally to have the life tenants receive such amounts, as payment from income and/or principal, which would be comparable to income distribution received from other trusts approximating the same value which are invested with greater emphasis on an income-producing basis. My Will also includes a specific provision authorizing my trustee to invade principal in the event that income is insufficient and I do not intend that the payments provided for in this paragraph shall conflict with or take the place of such provision authorizing the invasion of principal if the payments provided in this paragraph are insufficient. My trustee shall be fully protected in carrying this and other provisions of this Will out so long as it acts in good faith.

In placing this provision in my Will, I do so because I am convinced that my trust and the beneficiaries thereof should not be cut off from growth investments. My trustee should not necessarily therefore buy its securities or assets solely on the basis or criteria that may generally be used for the selection of trust investments. I am not unaware, too, that there are some instances where current market price might have little or no relation to current income or value or earning power of an asset. I do not expect my trustee to be clairvoyant and if in its judgment a prudent man would purchase securities or other assets for his own account on other than generally accepted standards I want it to feel justified in doing so for the trust or trusts under my Will. What I am trying to say in this, my Will, is I want my trustee to act as it in its sole judgment conceives, I might have acted (and I believe I have been reasonably prudent) in acquiring assets for my own account. I know, too, the selection of investments, regardless of type, involves hazard and risk and my trustee should be judged by overall performance of the trust and not by an adverse experience on individual investments.

Form Caulkins Secs.

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Caulkins Securities Corporation has been formed with offices in the First National Bank Building, to engage in a securities business. Officers are George P. Caulkins, Jr., President; Harley G. Higbie, Jr., Vice-President and Treasurer; and Keith L. Brown, Vice-President and Secretary.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

When the United States gained its independence from Great Britain its leaders had to go to work like every other citizen of a new nation and the going was hard.

Independence of the African nations may not have helped the people of those nations but it certainly has meant a windfall for the leaders.

A few weeks ago, one Arsene Assouan Usher, age 30, moved into a \$90,000 house at Lloyd Harbor, a plush section of Long Island. The property includes eight acres overlooking the water; a 42-room mansion will house the gentleman, his wife, their three children, and a staff of servants.

And who is this affluent young man? A rising young executive? An heir to corporate millions? Not so. Mr. Usher is Ambassador to the United Nations from the Ivory Coast, one of the former French colonies that gained its independence a year ago. The estate has been purchased for him out of the same sense of munificence by which the Ivory Coast's President, Mouphonet Boigny, has built himself a \$11,000,000 marble palace back home in Abidjan.

Nor is the Ivory Coast the only poverty stricken, aid-seeking Republic to set a style of high living to which the leaders of the older nations would like to become accustomed. A New York correspondent for the *London Sunday Telegraph* recently put together an eye opening story of the lavish spending by other objects of President Kennedy's solicitude.

Ghana, for example, is held up as an infant Republic that cannot possibly make ends meet on its own revenues. Hat in hand, Dr. Nkrumah is seeking credit where he can find it. His cause is not greatly helped, it might be suggested, by the chartered BOAC airliner that brought him and a party of 34 to a recent session of the United Nations. Dr. Nkrumah

expected to be in New York only two days; he was to make one speech. But his staff, which shortly grew to 70, took 40 suites in the Waldorf-Astoria, where an elegant reception was held.

At that Ghana's reception in New York was mere tea and scones compared to a dinner the Indonesian Embassy threw in Washington last month for 1,200 guests. A goggled-eyed guest, fairly well inured to eating high on the Washington hog, staggered from the affair saying he had never seen anything to touch it. His guess was that the bill, from invitations to tips, ran to at least \$35,000 and may have reached \$50,000. And Indonesia is broke, too.

It's bad form, we suppose, to raise even a eyebrow at this sort of outlay, but no student of American history is likely to forget the frugal allowances and Spartan quarters the infant United States provided her own diplomats 150 years ago. Some American consuls, to hear tell, are still tapping the weevils out of their biscuits. But perhaps styles change in infant nations, as they change in everything else, and one ought not to complain excessively at the insouciant spending of Republics seeking foreign aid. After all, easy come, easy go.

The Administration's food stamp plan is not working out very well. It is being tried out in eight areas. A person spending \$6 on food receives \$4 in food stamps. The difference is that under the direct food distribution plan the recipient gets only a limited number of commodities while, with the stamps, he can get any commodity he wants with the exception of such imported commodities as coffee, cocoa and bananas.

In the eight areas where the stamp plan is being tried out,

about 300 families were receiving food under the direct distribution plan. In August only 150 took advantage of the stamp plan.

The implication is that perhaps not all the six million Americans who get free food really need it.

The stamp plan is a modification of that used in the late 1930's and the early 1940's. This plan worked fairly successfully although the variety and amount of surplus commodities were not so large as today.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

Cates V.-P. of M. A. Schapiro

David C. Cates has been elected a Vice-President of M. A. Schapiro & Co., Inc., One Chase Manhattan Plaza, New York City, underwriters, brokers and dealers in bank stocks, the firm has announced.

Mr. Cates was previously with the Hanover Bank for four years, serving as an investment officer assigned to the Trust Division. He holds a B.A. degree from Harvard University and a Master's degree from the University of Chicago.



David C. Cates

L. Reisch Opens

FLUSHING, N. Y.—Leonard Reisch is engaging in a securities business from offices at 174-15 Northern Boulevard.

Claude Gau Forms Co.

WASHINGTON, D. C.—Claude C. Gau is conducting a securities business from offices at 2112 R St., N.W., under the firm name of Gau & Co.

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Current Problems Facing The Savings Banks Industry

By Samuel W. Hawley,* President, National Association of Mutual Savings Banks and President, People's Savings Bank, Bridgeport, Conn.

Savings bank trade head comments on the crucial relationship between legislation and success of the industry. He, also, refers to the importance of developing public understanding and an industry image now made difficult by differing local conditions between banks and between States, and the need for new laws so banks may remain competitive. Mr. Hawley cautions his fellow bankers to use fully their present powers or find that new powers they seek can not be had. After complimenting the over-the-counter mutual fund study and the creation of Central Industry Fund, he refers to help required in trying to extend savings banks to Alaska and other States, to the necessity of developing a central banking facility similar to Federal Home Loan Bank System, and to progress in and outlook for the tax problems affecting the industry.

In addressing the annual meeting of the Savings Banks Association of New York, I am very much in the position of a corporation president talking to his largest stockholder. However, only 25% of the number of banks are in New York, and by comparison you could pick 5 New York banks whose assets would total more than all 187 banks of the next largest savings bank state, Massachusetts. These greatly contrasting figures are cited by way of illustrating one part of the situation facing savings banking. We are an industry characterized by differences and contrasts, highly individualized, independent units of unlike character, operating in such diverse business surroundings as 42nd Street and Falls Village, Conn.

Widely differing laws as between states add to the public misunderstanding, and lack of uniformity within our industry. To pursue the comparison, the Savings Bank of Norfolk, Conn., with assets of less than \$1½ million, is authorized to accept \$30,000 deposits from any one individual, while the great Bowery Savings Bank, more than 1,200 times its size, can only accept one-third as

much in an account. Furthermore, both the investment and lending powers of the smaller banks are broader.

By the same token, a United States Senator from Norfolk might have as decisive a voice on a significant matter affecting all banks, such as federal taxation, as a similar representative from New York. As state chartered institutions in each of the several states where we operate, we are bound by laws which have been enacted over the years to give savings banks those powers which the legislature were convinced were in the public interest. We are peculiarly creatures of the states—more so than most other corporations. We can do only those things specifically authorized by law for us to do. This makes public understanding particularly important to us.

Public Confidence Essential

Banking needs of the average citizen have changed greatly with the redistribution of incomes and wealth, and the movements of population which have taken place in the last quarter century. Institutions, to survive, must keep themselves attuned to the changing needs of the public. We must be both acute enough to recognize these needs, and enterprising enough to meet them. Our ability over the years to have granted to us added powers with which to meet new needs of our customers hinges on the public confidence and approval of the manner in which we discharge the duties and responsibilities already enjoyed.

So, in carrying out our task of providing the people the banking service they want and need, it is desirable to explain simply and clearly the significance of what we do, the purposes which motivate us, and the public benefits which accrue from our activities.

In order to be trusted by law—makes with broader powers, it must be clear that we are carrying out fully those we now have, and the public must be satisfied that our motives are as we say—non-profit, *pro bono publico*—rather than selfish in their origins. If an up-state legislator gets the impression that savings banks are not meeting the public needs for small home financing in this area, it might offset many hundreds of thousands of dollars of paid publicity in New York City. By the same token, thanks to press and radio, a controversy on Long Island may have repercussions throughout the land.

So, we are in the position of operating under widely differing local conditions both as between banks and between states, and yet it becomes more and more apparent that savings banks will need new legislation periodically to remain competitive. These legislative powers will be granted only if there is understanding of the existence of public needs, of our ability to meet these needs, and the belief that we are motivated in seeking these powers by public interest rather than selfish gain. It follows, therefore, that to attain the industry image which is necessary for the interests of us all, that we consider the welfare of and benefits to the industry when we devise plans and policies for our individual banks. This need exists not only on the local scene, but on the national level as well. This is borne upon us with growing awareness as we steadily become more and more affected by national policies, and the activities of Federal agencies. Here again we must exercise understanding and statesmanship in our actions. When we are in part the instruments through which some aspect of national policy, such as in the housing field—is expected to be carried out, let us wise, will anyone listen to our voices on subsequent proposals?

Praises New York Institutions

As our industry has faced some of the problems confronting us on the national scene, the wisdom, clear thinking, and farsightedness

of savings bank leaders from New York have played a most helpful and significant role. Faced with great anxieties over the impact of the proposed withholding tax on interest paid to depositors, the banks of New York demonstrated statesmanship and a willingness to harmonize their local efforts with those of the industry as a whole. This was extremely helpful to the interests of all savings banks. As a result hundreds of thousands of leaflets prepared with the help of New York banks were distributed in many savings bank communities.

In other important areas the same spirit of utilizing the resources of our greatest concentration of savings bank assets in New York to advance the progress of the industry as a whole, has been demonstrated in the research and study into the subject of over-the-counter mutual funds. Here the relationship between the New York group and the committee of the National Association dealing with this subject has been an illustration of teamwork within the industry.

Turning to another subject, the leadership which two of your outstanding bankers have given to the creation of our Central Industry Fund, and the development of our Federal charter proposal, have been most valuable contributions to the industry. Those of you who have not yet answered the knock of the postman, are urged to do so in the immediate future in order that the responsibility of assisting the formation of the new savings bank in Alaska may be spread as widely as possible throughout our system, and therefore at the minimum cost to each bank.

For many years savings banks have labored to extend our system of banking into other areas. At long last there has come a break-through and we are on the verge of seeing an 18th state added to the savings bank group when the Alaska Mutual Savings Bank is authorized to start business in Anchorage. The participation of the Central Industry Fund has been an essential part of this development. Without it the bank could not secure the needed capital with which to start business. The significance to our savings bank industry is evident, and I sincerely hope you will all want to make the modest participation requested in this important venture.

Mortgage Investments

Competition for savings of the public seems to steadily become more vigorous, and constantly challenges the abilities and enterprise of our banks. One of the means by which savings banks have adjusted themselves to the competitive conditions of the times has been to vastly increase the percent of their assets invested in mortgage loans. Implicit in this development has been broad recognition of the safety, yield, and even built-in liquidity at par which is characteristic of monthly payment mortgages. Insurance and guarantees have played their part in our changed investment philosophy.

It would appear to be in line with the traditional foresight of savings banks, as an increasingly permanent part of our assets become invested in this manner, to study and review the value to us of a central banking facility such as the Federal Home Loan Bank System, which is primarily geared to the needs of mortgage investing institutions. The system as presently constituted, or possibly as modified in part, might well offer to our banks a worthwhile additional bulwark against the unknown vicissitudes of the future. This is a matter which is receiving study and thought by many active leaders in the savings and mortgage business, and seems to me to have promise of offering an opportunity for fur-

ther strengthening the savings bank industry.

The twin tax problems which have occupied our attention so constantly during the past few months still lurk in the background as a major concern of savings banks. The National Association office has kept members informed of developments with many bulletins which have fully described the results of the hearings which were held by the Ways and Means Committee. Although no action took place at the session just completed, Chairman Mills has said that reconsideration of some of the same tax measures will be a first order of business in the next Congress. It is to be hoped that the rising ground-swell of opposition to the withholding of taxes on interest which developed, will continue and that Congress will reject this particular proposal. While we cannot measure the final effect of our efforts to justify the present corporate tax position of mutual thrift institutions, it can be said that industry wide efforts were helpful and that they should be continued.

The teamwork displayed by our industry as state associations and individual bankers working with the NAMSAB tax committee to help explain our position on these tax matters to Congress was most effective and much appreciated by the Association officers. More clearly than even there emerges the pressing need of broadening the public understanding of the true nature and purposes of our business. Time and again evidence unexpectedly appears that even those with long association with savings banks do not fully grasp the real essence of the non-profit mutual method with which we carry out our function of the promotion of individual thrift. Among our own trustees, among our employees, and in every public group where the opportunity presents itself, we must expound and explain the significance and public benefits which result from our activities. This is a responsibility which is shared by every savings bank manager and the effectiveness which it is discharged will, in a large measure, determine our future.

*An address by Mr. Hawley before the 68th Annual Convention of the Savings Banks Association of the State of New York, Quebec, Canada, Oct. 4, 1961.

Amott, Baker & Co. Sponsors Lectures

Amott, Baker & Co., Incorporated, 150 Broadway, New York City, members of the New York and American Stock Exchanges, have announced the sponsorship of three eight-week courses of educational lectures on investments and securities as a community service for investors. The lecture series will begin Monday evening, Oct. 23, at the firm's Waterbury, Conn. office; Tuesday evening, Oct. 24 at the firm's Naugatuck, Conn. office and Thursday evening Oct. 26 at the Bristol Public Library, Bristol, Conn. The lectures are free of charge and will run for eight consecutive weeks in each community.

This is the fourth consecutive year in which Amott, Baker & Co. has sponsored these investment courses in the Connecticut area. The lecture series will be directed and supervised by the firm's Regional Manager, Mr. Milton M. Seligson. Each talk will be given by a specialist in the investment field with some of the lectures supplemented by educational sound movies.

A major purpose of these lectures will be to acquaint new investors with the fundamentals of sound investment, the operations of the various securities markets, the function and services performed by the investment dealer, trading techniques, value of research, etc.

This advertisement is neither an offer to sell nor a solicitation of an offer to buy any of these securities. The offering is made only by the Prospectus.

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October 11, 1961

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The Economic Outlook

By Dr. Robert A. Kavesh,* Associate Professor of Economics and Finance, Graduate School of Business Administration, New York University

Economist's appraisal of the economic outlook considers the disquieting increase in business pessimism about the prospects of a profitless prosperity and, nevertheless, the positive factors pushing GNP to a \$580 billion level by the end of next year. Dr. Kavesh is convinced we are in for a broadly based upswing performance not out of line with earlier periods of prosperity and he expects pretax corporate earnings in excess of \$55 billion.

The general mood of the business community during the past few weeks has shifted from optimism to uncertainty. Not that the major economic indicators have changed their tone or direction: almost all the series continue to exhibit a firm upward momentum. Here and there, evidence of a faltering advance or temporary setback mars the statistical releases, but this type of pattern is not unusual during a period of recovery.

No, the concern, basically, stems from two entirely different, unsettling developments.

The resumption of nuclear testing and the tensions in Berlin and the U. N. have produced widespread concern and anxiety. For the first time, in an age of emergencies, many Americans have come to realize that war is not only possible, but probable. This conclusion may or may not be warranted, but it clearly puts the matter of business activity in a subordinate role.

Less dramatic, but also disturbing, was the recent flurry over the prices and profits. The President's message to the steel producers on holding the line was met by dismay and resentment. Much of the controversy, however, was rendered academic by the unexpected cut in world aluminum prices. The net result of all this was a sense of puzzlement—a haunting concern over the prospects of a profitless prosperity.

Although these two elements—

so different in their meaning and impact—are at the heart of the current uneasiness, it is interesting to note that they both reflect a much closer involvement of the United States in world affairs.

To be sure, this has been true during the entire postwar period as far as military commitments were concerned. What distinguishes this crisis is merely its magnitude and imminence.

U. S. Loses "Trump Cards"

But for America to be once again a member of the world economic community is still somewhat in the nature of a surprise. For many years—long enough, perhaps, to have produced smugness and inefficiency—the U. S. had held all the chips in the global game of economic poker. We had casually, indeed, altruistically, staked much of the world so the game wouldn't end. But while we set the rules and patiently explained nuances and strategies, the other players watched carefully and learned.

Now the match is being conducted on a more equal basis. Several nations have piled up large stacks of chips and are betting with vigor and assurance. And all too often they hold the high cards.

This comeuppance, this affront as some see it, has produced disquieting results. The fact remains, however, that the postwar era is over. Supply and demand on a competitive, world-wide basis are in closer balance today than they have been in a generation. For many American producers this signifies the twilight of a long era of good and easy times. Newer disciplines must be appraised and mastered; the adjustments will not be easy.

Business Prospects Excellent

Even if we recognize that a new competitive era is in the

making, it would be foolish to downgrade the current interplay of forces in the American economy. For, barring a war (and this is an assumption many would challenge) the immediate trend of business activity should continue to show substantial vigor. Indeed, an impressive array of positive factors could be cited:

(1) Government spending is slated to rise rapidly, chiefly on increased defense outlays. As these expenditures are made (and the brunt will not be felt until next year) the economy will experience an added flow of income and output.

(2) Consumer buying—so far a keen disappointment—should begin to pick up as incomes rise and confidence is restored. Next year should witness a sharp recovery in automobile sales.

(3) Most surveys point to a marked rise in the rate of capital spending. By mid-1962, this sector should be playing a major role in lifting the economy to higher levels.

(4) Housing, too, seems to be slated for improvement. An increase in starts to a level of 1.5 million units next year is a reasonable figure to anticipate.

All in all, the pattern that appears to be emerging is one of a broadly based upswing that should carry through all of 1962. By the end of next year the Gross National Product should be in the neighborhood of \$580 billion, with pretax corporate earnings in excess of \$55 billion.

Nor would this performance be out of line with earlier periods of prosperity. These magnitudes represent a pattern of progress amazingly similar to several previous postwar upturns.

One element of concern in this picture would continue to be the level of unemployment. For under these conditions, there would still be roughly 5% on jobless roles—a figure substantially above what the President has set as a target.

The Imponderables

But forecasting is still the art of selecting the probable outcome. What could go wrong to upset these estimates? For one thing, the international scene, even barring the military aspects, poses a major uncertainty. As our economy advances, the rate of imports will in all probability rise. No such increase appears to be in store for the export markets. Consequently, we may witness a recurrence of the balance of pay-

ments difficulties that plagued us a year ago.

To counter this problem we would have to resort to credit restraint to such an extent that the pace of economic activity might be substantially affected.

The fact that continuing conferences are being held on these matters attests to the concern felt here and abroad over the future of the dollar.

In a similar vein, the possibilities of further inflation cannot be entirely ruled out. For the first time in five years upward pressures on prices appear to be minimal. Yet inflation has frequently occurred when least expected. A renewal would accentuate the balance of payments problem and conceivably jeopardize the state of the economy.

On balance, however, the positive elements in the business picture clearly outweigh the potential pitfalls. Caution will continue to be the watchword—and this is perhaps as it should be. The long years of the sellers' markets are all but vanished. The return to a world of balanced economic power should furnish a needed stimulus to American talent and ingenuity. A positive response to this new challenge would provide a needed tonic—not only to ourselves, but to our Allies as well.

*Summary of a talk by Dr. Kavesh before the 68th Annual Fall Convention of the Savings Banks Association of New York State, Quebec City, Canada, Oct. 4, 1961.

Bache Co. Admits Weiss, Winnett

Harold L. Bache, Managing Partner of Bache & Co., 36 Wall Street, New York City, members of the New York Stock Exchange,



John Francis Weiss John W. Winnett, Jr.

has announced the admission of John Francis Weiss and John Winfield Winnett, Jr. to General Partnership in the firm. Both Mr. Weiss and Mr. Winnett are members of the New York Stock Exchange.

Mr. Weiss has been with Bache since February, 1959. He served three years in the Navy as an officer in the Pacific after graduating from Cornell University in 1955.

Mr. Winnett, who studied at the Ecole Pascal in Paris, has been an independent broker on the floor of the New York Stock Exchange since 1959.

With California Investors

VAN NUYS, Calif.—Salvatore E. Cammarata has become associated with California Investors, 14401 Sylvan Street. He was formerly with Samuel B. Franklin & Co.

California Inv. Adds

LONG BEACH, Calif.—Russell D. Hill has been added to the staff of California Investors, 4376 Atlantic Avenue.

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Recent Financial Growth Of Canadian Institutions

By Neil J. McKinnon,* President, Canadian Imperial Bank of Commerce

Canadian banker ticks off significant financial developments in the past decade keeping up with changes in the economy's structure. This takes in the increasing participation of Government in trade and finance, and the lag in chartered banks' savings deposits despite the marked rise in savings, assets of life insurance companies, trustee pension plans and trust companies' rate of growth. The Government (through its Industrial Development Bank, Central Mortgage & Housing Corp., Exports Credits Insurance Corp., and Farm Credit Corp.) is shown to be involved in financing housing, export insurance and credit facilities, industrial development, agricultural activities. Moreover, personal loans' phenomenal increase is related to "day-to-day" loans made by chartered banks against Treasury bills, and Government bonds of up to 3 years maturity.

Although the banking systems in the United States and Canada now vary widely, it is perhaps not generally realized that there is a close historical relationship. The founders of the early Canadian banks borrowed liberally from the Charter of the first Bank of the United States which was opened in 1791 and which permitted branch banking on a national scale.

The eight chartered banks doing business in Canada are authorized by charter to operate on a national scale. These charters are reviewed decennially. The banks compete actively for savings and other notice and commercial deposits. At the end of July this year the chartered banks operated 5,320 offices from coast to coast servicing over an estimated 11,000,000 savings depositors whose personal savings totalled in excess of \$7,600,000,000. These deposits represented approximately 60% of the total Canadian dollar deposit liabilities of the chartered banks at the end of July. The institution I repre-



Neil J. McKinnon

sent for instance operates apart from foreign offices 1,243 branches in Canada ranging from north of the Arctic Circle to our joint border and from the Atlantic Ocean on the east to the Pacific Ocean on the west. Savings deposits entrusted to us by Canadians were close to \$2,000,000,000.

The development of the branch banking system in Canada while serving to mobilize economically the savings resources of Canadians has not inhibited the growth of other savings institutions in Canada which vary widely from the Canadian Government Post Office and savings offices sponsored by Provincial Governments to Trust Companies and Credit Unions. It is of interest to note that in the five years ending in 1960, while savings deposits in the chartered banks increased by 27%, those in trust companies increased by 90% and those in credit unions by 97%. The latter two classes of institutions while engaging in many facets of finance including some aspects of banking were not limited by banking laws in their fields of activity or in the nature of their assets. As they may charge higher rates, they have been able to pay higher rates for deposits and have grown more rapidly.

Economic growth of course takes many forms. Indeed, it must take many forms. Otherwise progress in one sphere would be

hampered by the lack of it in others. The increase of 45% in Canada's Gross National Production in real terms over the past ten years could not have been achieved without considerable improvement in the diverse factors involved in its financing and distribution.

The actual mechanics of distribution have been undergoing fundamental changes—and not without strain during the post-war period. The financial world too has had to be constantly alert in order to keep pace with, and when possible to anticipate, structural developments within the economy. I should like to review the more significant changes which have occurred as a result in the financial scene during the past ten or so years.

Increasing Government Financing

It may well be that a most interesting financial development of the 50's and 60's to date will prove to have been the steadily increasing participation of government in various aspects of trade and finance. The guaranteeing by government agencies of certain special types of credit such as Farm Improvement and Home Improvement Loans has been in effect since 1945, but more recent years have seen the progressive widening of government involvement in other fields through Crown Corporations and similar means. Not only have new facilities been set up, but the functions and scope of those of longer standing have been greatly expanded.

Characteristic of these agencies is the Central Mortgage & Housing Corporation, created in 1945 to administer the National Housing Act and to co-ordinate the activities of the Federal Government in housing. As a result, the Federal Government now plays a major role in the sphere of residential construction. In the 25 years since the passing of the first Housing Act, units built under the National Housing Act totalled nearly 633,000, or 30% of the national total. The proportion thus built in the 1951-60 decade was 41%. In 1959, public funds advanced through Central Mortgage & Housing Corporation totalling \$343,000,000 actually exceeded by

\$61,000,000 commitments by approved lenders such as insurance and trust companies and banks. A further amendment to the National Housing Act during the present session of Parliament is expected to increase from \$1,500,000,000 to \$2,000,000,000 the charge on the Consolidated Revenue Fund for direct loans by Central Mortgage & Housing Corp. Funds available for other functions of the Corporation are also to be doubled: to \$10,000,000 for housing research and community planning, to \$100,000,000 for university housing projects, and to \$200,000,000 for municipally sewerage treatment projects.

Previous to 1954, the chartered banks had with minor exceptions been prohibited from lending on the security of mortgages, but the revision of the National Housing Act in 1954 made provision for them to finance housing construction by investing in mortgages insured under the Act, and this change was incorporated in the revision of the Bank Act in the same year. Mortgages made by "approved lending institutions," including life insurance companies, trust and loan companies and chartered banks, initially were insured for 98% and more recently for 100% of principal. The banks have increased their mortgage holdings each year since 1954, and during the past two years the aggregate investment on their books has totalled close to \$1,000,000,000.

Financing Foreign Trade

A step with great potentialities for the export trade was taken this year in the implementing of legislation for the expansion of previously existing export insurance and credit facilities. Government action to help Canadian exporters with export credits insurance was first taken in 1944 when the Export Credits Insurance Corporation, a Crown company, was established by Act of Parliament to insure Canadian exporters against non-payment by foreign buyers for goods exported from Canada. This type of insurance did not directly provide financing, though it did indirectly facilitate the making of a loan as the exporter could assign to his bankers the proceeds of any loss payable under his policy.

The Act of 1944 was amended five times in order to expand and strengthen its coverage, but financing impediments still barred the way to exporters desirous of undertaking sales on the long terms made available by their competitors in other countries. Due to the joint initiative of the banks and the government late last year, however, Canadian exporters of capital goods are now able to meet the credit competition of foreign suppliers.

The role of the chartered banks is their joint participation in the Export Finance Corporation of Canada, formed to provide financing for export transactions which have been insured by the Export Credits Insurance Corp. on credit terms extending up to five years. Exports for payment up to one year will for the most part be financed in the ordinary way through the chartered banks, as in the past. Transactions involving credit terms of more than five years will be financed by the government through the facilities of the Export Credits Insurance Corp., made available under the most recent amendment to the Act. The interest rates which will apply on these loans will be governed by current market conditions. The Export Finance Corp. has an authorized capital of \$50,000,000, of which the banks have subscribed \$10,000,000, but which may be increased as required.

An instance of these new arrangements at work was provided recently when a total of \$13,500,000 was approved to underwrite the cost of papermaking

machinery supplied to Chile on long-term credit by John Inglis Co. of Toronto together with the engineering services of Sandwell and Co. of Vancouver. This joint venture is expected to be the forerunner of similar combined efforts which will make possible the offering of a "package deal," a type of transaction engaged in with considerable success by United States and United Kingdom firms.

Government Industrial Credit

The Industrial Development Bank is another example of an institution which has been functioning since 1944, but the scope of whose operations is being steadily enlarged. The Industrial Development Bank is a Crown company, a subsidiary of the Bank of Canada, whose original function was the provision of intermediate term credit for industrial purposes. The use made of the Bank's facilities has increased: the number of customers on its books in June 1961 was a third higher and loans outstanding were 15% higher than a year ago. Recent proposed legislative amendments are expected to widen this institution's activities to every type of business enterprise and it is planned to increase the lending capacity of the Bank from \$160,000,000 to about \$400,000,000.

The initial capital was put up by the Bank of Canada without return and net earnings on operations have been added to surplus. In recent years this has been supplemented by issue of interest-bearing debentures as the Bank has enlarged its activities. By Sept. 30, 1960, the date of the last fiscal report by the bank, loans for the first time exceeded \$100,000,000.

No fee is charged for the investigation of a proposal but a customer's acceptance of the Bank's offer of credit provided that a "commitment fee" is payable to the Bank in the event that the customer allows the credit to lapse without drawing on it. The Industrial Development Bank's lending rate in recent years has ranged from 6 to 7% and currently is 6½%, a rate higher than that permitted by law to the privately-owned chartered banks.

Both numerically and in amount, the loans granted so far have been small in relation to the chartered bank loans. As at September, 1960, the number outstanding on the Bank's books represented less than one-fifth of 1% in numbers and approximately 1½% in amount of the total loans granted to industry and the general public in Canada by the chartered banks.

No dividends have been paid by the Industrial Development Bank since its inception. A calculation of 4% on the capital and accumulated reserves would total about \$17,000,000 over the years which represents the degree of subsidy provided by the taxpayers.

In the field of small Canadian business the chartered banks are actively involved and indeed business loans to smaller enterprises far outweigh those to larger concerns and the chartered banks are very mindful of the needs of the small, but growing, business. Additional requirements may now be taken care of under the Small Business Loans Act, which came into force at the end of last year. The Act was designed to enable a small business to improve or extend its premises and equipment by means of a chartered bank loan, the lending bank being guaranteed against loss when the conditions set out in the Act are complied with. The type of security which a chartered bank may take under the Bank Act, which lays down the framework under which a chartered bank may operate, was at the same time extended to include

Continued on page 27

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U. K. Should Sell Forward Instead of Spot Sterling

By Paul Einzig

Foreign exchange specialist upbraids his country for selling forward sterling instead of selling spot sterling, and for contradictorily lowering the bank rate from 7 to 6½% while announcing there would be no relaxation of the credit squeeze. To stop the "hot-money" influx and to prevent repetition of the 1950 mistake, Dr. Einzig urges a policy of widening the forward discount and, thus, avoid what he terms a phony, window-dressing increase in gold and dollar reserves. The economist pleads for the elimination of sterling's basic causative problem instead of what is feared to be an attempt to camouflage it.

LONDON, Eng.—One of the most deplorable consequences of the nationalization of the Bank of England has been that Bank rate changes are now liable to be affected by political considerations. The timing of the decision to lower the Bank rate from 7% to 6½% on Oct. 5 must have been largely influenced by the Government's desire to make a popular gesture on the eve of the annual Conference of the Conservative Party at which the industrial situation will be debated on Oct. 13. But it seems probable that even from this point of view, Mr. Selwyn Lloyd miscalculated the effect of this move. He must be strangely unfamiliar with the mood of the rank and file of his party if he thinks that a slackening of his determination to check wage inflation would receive a favorable welcome.

Contradictory Policy

Even those industrialists who are short-sighted enough to be pleased with this light immediate relief, granted as it is at the cost of reducing the chances of lasting improvement, have no cause to be enthusiastic. For the Chancellor of the Exchequer took the earliest opportunity to declare in no uncertain terms that there would be no relaxation of the Credit squeeze. But if that is so, what was the point of lowering the Bank rate by ½%? To the extent to which it produces its effect, it will encourage borrowing right to the limit of the funds available. What is much more important, its psychological effect is bound to be highly detrimental from the point of view of wage restraint, and even of dividend restraint.

To trade union leaders, a reduction will seem to give the green light enabling them to proceed with their wage demands. It is true, ½% in itself is of relatively small importance, but the departure from the 7% Bank rate—a figure which has come to be regarded as the symbol of resistance to inflation—is bound to be interpreted as being the first step to

be followed by further reductions in the near future. That being so, trade unions have now been provided with what they regard as justification for disregarding wage restraint. The dividend policy of many corporations is also bound to be affected by the cheapening of actual or anticipated cost of their bank loans. There will be less inducement for them to retain a larger proportion of their profit. Each dividend increase, and each increase in equities resulting from the anticipation of further Bank rate cuts, will further weaken the chances of wage restraint to be even a partial success.

The only concrete reasons given for making the decision were that sterling is no longer under speculative pressure and that the high Bank rate was attracting far too much "hot money." But the reason for the return of confidence in sterling is exclusively the large loan granted by the International Monetary Fund, as a result of which nobody can now seriously expect a devaluation, at any rate within the next few months. The basic position remains unsatisfactory.

The Better Way to Stop Hot Money Influx

As for the influx of hot money, surely the Government has the remedy in its own hands. All that the Bank of England would have to do is to widen the discount on forward sterling by means of selling sterling for forward delivery. With spot sterling approaching its upper support point of \$2.82, there is now evidently too much risk in holding uncovered short-term sterling investments. And if the cost of covering is made too heavy by a widening of the discount on forward sterling, it would reduce inward interest arbitrage to a bare trickle.

Instead, the Exchange Equalization Account has been selling spot sterling to prevent a further rise of the spot rate. In doing so, it has been accumulating dollar balances, the counterpart of which is represented by hot money. The mistake of 1950 is repeated once

more. A policy of increasing the gold and dollar reserves for window-dressing purposes is pursued regardless of the fact that the increase shown in the monthly returns is purely fictitious and does not indicate any basic improvement.

Sell Forward Sterling

The Exchange Equalization Account would be well in a position to check the influx by the simple technical device of selling forward sterling instead of selling spot sterling. A widening of the forward discount would bring the influx to a halt and might even reverse it. But it seems that the Treasury wants to show an increase of the reserve no matter how phony that increase may be. Evidently the main object of the British foreign exchange policy is to encourage the influx, so as to enable the Government to claim credit for having brought about an improvement in sterling.

The adoption of forward exchange tactics on the lines suggested above would have made it unnecessary to lower the Bank rate for the purpose of discouraging the influx. In any case it remains to be seen whether a corresponding narrowing of the discount on forward sterling will not neutralize the effect of the Bank rate cut on interest arbitrage operations.

There are other indications that seem to show that the Government is much keener on camouflaging the basic weakness of sterling than pursuing a determined course to eliminate its causes. Several British firms have recently been authorized to raise capital abroad. There is everything to be said for this if the funds are used for financing investment abroad. But this is by no means the case in all instances. Although the trend of the Treasury's policy in authorizing such operations is as yet not clearly discernible, it seems that the aim is to encour-

age long-term borrowing abroad on private account. Instead of making a really determined effort to improve the balance of payments, this would enable Britain to live on borrowed money a little longer. If the above assumption should prove to be correct, it would mean the opening of yet another chapter in the history of "fools' - paradise - economics" in Britain.

Natural Gas Is Billion Dollar Texas Industry

Texas gas distribution and pipeline companies, natural gas producers, and manufacturers of gas appliances and equipment add up to billion dollar-a-year business according to trade official.

Natural gas is a billion-dollar-a-year business in Texas, the American Gas Association's managing director said in Dallas on Oct. 3 at the first convention of the industry's national trade association ever held in the state. C. S. Stackpole noted that Texas gas distribution and pipeline companies alone do more than a third of a billion dollars' worth of business a year within the state, double the volume of 10 years ago.

To this must be added the sales of the state's natural gas producers, which represent about two-thirds of a billion dollars a year, plus the sales of Texas companies manufacturing gas appliances and equipment," he said. More than two dozen gas distribution companies, pipelines and equipment manufacturers in the state are members of the gas industry's national trade association.

Mr. Stackpole reported that Texas, which has long led the

nation as the top-ranking natural gas producer, currently produces nearly half of all the natural gas used in the United States. The state's gas production in 1960 totaled nearly 6 trillion cubic feet.

He also said the state's proved reserves of natural gas, which amounted to nearly 120 trillion cubic feet at the start of 1961, represent almost half of all proved recoverable reserves in the U. S.

The gas industry leader pointed out that the Lone Star State currently has an estimated 2.3 million gas utility customers. They use more than 1¼ trillion cubic feet of gas a year and provide Texas gas distribution and intra-state transmission companies with annual sales revenues of nearly \$375 million.

Mr. Stackpole also noted that Texas serves as the hub of a vast natural gas pipeline network supplying millions of residential, industrial and commercial gas customers throughout the Atlantic Seaboard, Midwest, Pacific Northwest and Southern California.

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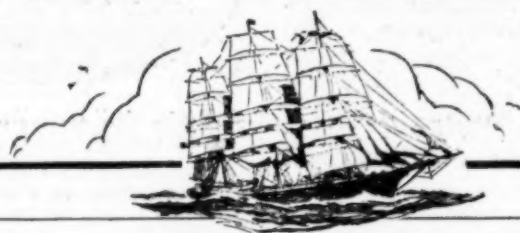
CLEVELAND, Ohio — Norman C. Strachan has become associated with William T. Robbins & Co., Inc., Terminal Tower, as a registered representative.

Fred D. Benton Opens

KNOXVILLE, Tenn. — Fred D. Benton has opened offices in the Hamilton Bank Building to engage in a securities business. He was formerly with Lucien L. Bailey & Co.

S. Smaller Opens

Samuel Smaller is engaging in a securities business from offices at 120 West 42nd Street, New York City.



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Business Failures
Commodity Price Index

The uncertainties inherent in the rapidly changing world scene have continued to act as an unsettling business influence, says the October *New England Letter* of the First National Bank of Boston, but production, construction, employment, and income have shown a rising trend. Trade has remained somewhat sluggish, and the level of joblessness still merits concern. Although the rate of advance in most measures slowed down in late summer, compared with the exceedingly strong spring pace, this is not unusual for recovery periods.

The over-all economy remained sufficiently buoyant in September, with rising activity broadly distributed, to provide a reasonable basis for anticipating a further pick-up during the fourth quarter, probably of more-than-seasonal proportions. Automobile output was hampered by local strikes, affecting the major producer, and this in turn held down steel shipments. Catching-up efforts in building 1962 cars, and a broadening of steel demand, now reported to include a notable expansion in size of orders as some users attempt to build inventory, insure that these basic industries will provide active support for this advance.

Looking at the third quarter as a whole, early estimates of gross national product—the nation's total output of goods and services—suggest a rise of \$10 billion to a \$526 billion annual rate. This gain would be about two-thirds as great, both absolutely and relatively, as that during the second quarter of 1961, when a sharp shift to inventory accumulation contributed heavily to increased output. Final demand—GNP after allowance for inventory change—probably increased at approximately the same rate in both the second and third quarters.

The Federal Reserve index made another high in August at 113 (1957 equals 100), but the gain from the previous month was the smallest since February-March. While output has bounded nearly 11% above its February low, and is also 1.5% above its January, 1960 high, an impressive number of industries remain below their 1960 peaks, including primary metals, non-electrical machinery, motor vehicles, aircraft, lumber, and textiles.

During this recovery, both total non-farm and manufacturing employment have recovered more rapidly than in the 1958 upswing. The gain in factory jobs from February to August of less than 4%, and an increase in average hours of production workers of

3%, are considerably below the advance in physical output. While admittedly a rough measure, this suggests there has been a good gain in factory productivity per man-hour. This in turn helps to explain the vigorous rebound in corporate profits to a seasonally adjusted annual rate of around \$45 billion in the second quarter, and the optimism over further improvement in the quarter just completed.

While many industries continue to experience an earnings squeeze, a phenomenon likely to remain with us for some time, there has been a noticeable improvement in business plans for spending on new plant and equipment. The latest government survey estimates a rate of \$34.8 billion for the third quarter and of \$35.9 billion for the October-December period. The latter figure would be 7% above the cyclical low of the second quarter. According to this pattern, the year 1961 would be \$34.6 billion, or 3% below 1960, and only about two-thirds of the way back from the low year—1958—to the peak of 1957. While it now seems unlikely, with industry still possessing considerable excess capacity, that there will be any capital spending boom in the next year, this segment of the economy should be contributing more substantially to the upswing.

What of the consumer, who seems to have been concentrating somewhat more in 1961 on saving and reducing his instalment debt? Personal income has been rising steadily, although the rate of gain in the third quarter slowed down. Trends in employment, wage rates, and hours worked, in agricultural and property incomes, all suggest further gain ahead. This should contribute to rising spending, although few now expect any buying splurge.

Probably the key item to watch is passenger car sales. Discounting the industry's optimism at model introduction time, the background facts seem to justify expectations of a markedly better year for the 1962 models, following a slow start because of low stocks. Rising incomes, the ability of consumers to assume increased debt, the age-mix of cars on the road, the lower level of stocks of used cars and their price strength, the wide selection of new models—all these seem favorable. Growing consumer confidence and some pent-up demand could push the sales curve above the expected trend if the new cars really have sufficient "appeal." Only time will provide the answer.

While it appears on the basis of gathering evidence that the con-

sumer and investment sectors of the economy will add their growing forward motion to that of the government sector, which provided so much of the momentum for early recovery, the over-all impression at this time is one of sustained strength over the next year rather than unrestrained boom, as seen by some optimists. Such a pattern of advance would be less likely to generate excessive inflationary pressures, and thus would be infinitely more healthy and desirable.

Bank Clearings 1.9% Higher Than Same Week Last Year

Bank clearings last week showed an increase compared with a year ago. Preliminary figures compiled by the *Chronicle* based upon telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Oct. 7, clearings for all cities of the United States for which it is possible to obtain weekly clearings was 1.9% above those of the corresponding week last year. Our preliminary totals stand at \$29,150,782,849 against \$28,617,663,159 for the same week in 1960. Our comparative summary for the week follows:

Week Ended	(000s omitted)		
Oct. 7—	1961	1960	%
New York—	\$15,857,826	\$15,749,807	+ 0.7
Chicago —	1,336,081	1,309,476	+ 2.0
Philadelphia	1,189,000	1,131,000	+ 5.1
Boston —	878,979	849,210	+ 3.5

Iron Age Says Oct. Has To Be Major Recovery Month for Steel

October has to written off as a major recovery month in steel production, *The Iron Age* reports. Auto strikes, first at General Motors, then at Ford, lost too much production to be made up by increases in general business.

To aggravate the auto strike situation, General Motors has not scheduled expected overtime to compensate for lost time. It had been expected that the end of the GM strike would see an all-out assault on auto production records. This has not materialized.

At the time of the GM strike, this automaker told steel suppliers to hold up on shipments, but not production. Now, the unshipped steel is making up a large portion of the automaker's steel requirements for October.

The result, *The Iron Age* says, is a big hole in what steelmakers had confidently expected would be total October business. To make matters worse, the pattern is being repeated at Ford where the costly shutdown went into its second week.

The big hope now is that auto sales will show a sharp jump and automakers will revise their present order pattern. If they don't, there will be reluctance to overstock dealers for the winter. But if sales of the 1962 models take off, steel requirements will get a fast reappraisal and the year could end on a good uptrend.

Except for automotive, the general demand for steel is there, the magazine says. Appliances are coming into seasonal strength and are taking good tonnages. Even without automotive support, delivery promises on cold-rolled

sheet are lengthening in some areas, particularly the Midwest. The heavy steel market is also strong, again with the Midwest showing up best.

One of the largest steel producers, with a broad enough base to avoid automotive domination, reports that the last week in September was the best for orders since June. At this mill, opinion is that customers have come out of a lethargic period.

In some areas, November is running ahead of October, and December is out in front of November for comparable periods. Tonnage involved this far ahead is small, but the slight bulge in November comes from automotive sources and may be significant.

For the first time, defense orders are showing up in more than token tonnages. Defense-rated orders for shell-quality bar stock up to about three-inch diameter are noted in the East and in Ohio. Wire and rod mills are also getting orders for small diameter stock for small arms ammunition.

The trend for more defense business is getting stronger each week and may be a sleeper in a stronger market later this year. Defense will certainly add pressure to the market in the first months of 1962, just at the time when users start thinking about hedging against steel labor negotiations.

Steel Market Needs Automotive Push

Labor conditions in the automotive industry continue to keep the steel industry from attaining expected production levels, *Steel* magazine reported.

Ford and Chrysler are buying cautiously, and GM has not released as much tonnage as steelmakers anticipated.

Steel sales executives have two theories—either automotive steel inventories are bigger than they estimated, or automakers do not intend to boost their October output enough to make up for the production lost in September.

If new model sales are good, automakers will probably order more steel for November delivery than they will take this month. Until they step up their purchases, the steel market will have a hard time getting off dead center.

Steel magazine said steelmakers are cheered by uptrends in other important markets.

Tank and boiler fabricators are stepping up their plate requirements. Similarly, the shipbuilding and chemical industries are providing fairly strong demand.

Further slight improvement in demand for commercial steel bars is noted. More tonnage is going into forgings and light toolwork. Defense requirements are heavier, and the steel service centers are specifying more freely.

Although the building season is advancing, structural activity continues to be a main prop of the steel market. Volume is being fairly well sustained, and while it is comprised largely of public projects, there is a good sprinkling of commercial and industrial work.

Steel service centers report an increase in September business,

with a further gain expected this month. Some think October will be the peak month of the year.

Optimists note that latest figures (August) show that orders for fabricated structural steel, awards for future construction, new orders received by manufacturers, and factory inventories were well ahead of those of a year ago.

Ingot production this week is expected to be slightly higher than the 2,131,000 tons that *Steel* magazine estimates the industry poured last week.

Usage of scrap, a major steel-making raw material, should be high this fall and winter because of the expected strength in steel production, but it's unlikely that scrap prices will go up proportionately, *Steel* magazine said.

The scrap price trend is of interest to metalworking managers

Continued on page 28

DIVIDEND NOTICES

EPPS INDUSTRIES, INC. LOS ANGELES, CALIF.

DIVIDEND NOTICE

The Board of Directors has declared a 4% Stock Dividend payable November 30, 1961 to stockholders of record at the close of business October 23, 1961.

BERNARD S. EPPS,
President

REGULAR QUARTERLY DIVIDEND

The Board of Directors has declared this day
COMMON STOCK DIVIDEND NO. 109
This is a regular quarterly dividend of

27½¢

PER SHARE

Payable on Nov. 15, 1961 to holders of record at close of business, Oct. 20, 1961

KARL SHAVER
SECRETARY
Oct 5, 1961

**THE COLUMBIA
GAS SYSTEM, INC.**

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Dividend Notice

The Board of Directors of Tenney Corporation on October 3, 1961 voted to increase the monthly dividend from 7¢ (seven cents) to 9¢ (nine cents), and declared cash dividends of 9¢ (nine cents) per share on the Class A common stock each month for the next three months as follows:

12th Consecutive Regular Cash Dividend

9¢ per share to Shareholders of record at the close of business on October 16, 1961 payable on October 31, 1961.

13th Consecutive Regular Cash Dividend

9¢ per share to Shareholders of record at the close of business on November 15, 1961 payable on November 30, 1961.

14th Consecutive Regular Cash Dividend

9¢ per share to Shareholders of record at the close of business on December 15, 1961 payable on December 29, 1961.

J. M. TENNEY
President



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DIVIDEND AVISCO NOTICE

AMERICAN VISCOSE CORPORATION

Directors of the American Viscose Corporation, at their regular meeting on October 4, 1961, declared a dividend of fifty cents (50c) per share on the common stock, payable on November 1, 1961, to shareholders of record at close of business on October 18, 1961.

Vice President and Treasurer

Wm. H. Roney

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THE MARKET . . . AND YOU

BY WALLACE STREETE

What demand showed up to brighten the stock market this week was highly selective but did serve to keep the general list on an even keel for the most, with trading on the slow side as investors watched for some concrete indication of the market's future course.

As they have been for a long time, utilities continued to push to peaks not seen in more than 30 years and the long-laggard rail average was able, after considerable work, to nudge to its best posting of the year. The industrial average showed little disposition to wander too far from the center of its trading range, making no bid either to test the reaction-low or the all-time peak.

The Better Actors

Apart from individual situations where good buying showed up, the better acting groups included the tobaccos, electronics on occasion, and occasional favorites in the paper, drug and food sections.

Some large blocks showed up, and not all of them were obviously on the sell side since prices improved in some cases despite the large transactions. And even in the cases where the big blocks put weight on the issues, they were able to rebound mostly once the overhanging shares were cleaned up.

Finance company shares also enjoyed good popularity and low-priced San Diego Imperial which controls west coast savings and loan institutions was a volume leader more times than not. It appeared repeatedly on the lists of new highs even as big blocks of this item crossed the tape.

Jumping Splitter

In the tobacco section, Reynolds Tobacco which had only completed a stock split on the week's first session, was a pace-setter even though recently split stocks are supposed to take a breather before they jump into the spotlight again. The shares had also been split in 1959.

Reynolds is a perfect illustration of the market adage that stock split items do well. The old shares had closed out 1960 at only a bit over 93, around a point under their high for that year, and wound up their trading life this week at a minimum fraction shy of 150. The new shares, split 2-for-1, had sold below 69 during when-issued trading but jumped above 81 as the new popularity developed for them this week. And at that level the price tag was well above where some other issues had found it expedient to split their shares. When it comes to the new highs lists, Reynolds was not so distinctive, since others in the group, including Consolidated Cigar, U. S. Tobacco, Liggett & Myers, Lorillard and Philip Morris, were also prominent at new highs to make the representation rather complete.

Among the other things that whipped up enthusiasm for the tobacco section were preliminary indications that new brands were being test marketed and could set off another new-brand war such as that that raged a few years back. At that time all the excitement went a long way to shake off the effects of all the recurring health scares. The star of that performance was Lorillard which had sold for a shade over 15 in 1957 and by 1958 was up to 89 before it joined the stock split parade with a 2-for-1 division.

Striking Utilities' Demand

The continued demand for staid utility issues was something of a surprise as well as a hint that institutional interest must be cen-

tering on this section. The demand for electricity continues to mount as more and more appliances move into the hands of consumers and there has been no obvious letup in the expansion plans of the larger companies to try to keep up with the demand. Consolidated Edison for one is embarked on a five-year expansion program that will cost well over a billion dollars and include the nation's largest generator which alone, installed, will call for expenditure of more than \$130 million; such is the growth potential apparent to this company.

The net result is that the staid section where the price moves are supposed to be sedate has been able at almost any time to offer a fast-moving item for the spotlight. Peoples Gas, which had posted a gain of less than three points as its work for all of 1960, closed out the year a small fraction above 63. It slipped fractionally below that as its low for this year and this week reached par (\$100) as a random illustration of the progress being made in this corner.

Another yardstick comparison could be in the case of Potomac Electric where its convertible debentures were called for redemption the middle of next month. The debentures on redemption are worth only \$1,035 but around \$1,760 if converted into the common stock.

Emerging G. E.

One of the important suppliers to the public utilities, General Electric, is slowly emerging from the cloud that the anti-trust violations of earlier this year had cast over it. Some of the "favored" lists of the various brokers have reinstated General Electric and the number seems to be growing. There is usually an explanation, generally running along the lines that GE's heavy equipment business is only a fourth of the total and the items that were involved in anti-trust suits are an even smaller but unspecified portion of that; so the potential liability through lawsuits probably will boil down to an inconsequential total.

GE's earnings picture wasn't a bright one last year, but the company is traditionally a low-cost producer and management has been striving to enhance its earnings power so that most projections of profit this year are comfortably over last year's level. The company is still an important element in the fast-growing electronic field and, while the lustre of this growth field has been a bit tarnished lately, as electronic stocks reacted the high potentials of this field are still valid.

Intriguing Film-TV Item

An issue that is a famous name and has had its share of problems is Paramount Pictures which lately has been far more content to toy with its year's low price than the high.

Despite the uncertainties, Paramount has been making good progress in turning its extensive film library into cash via sale to television, as well as building up the business of a subsidiary that is in the electronics data processing field which is one of glamor for some other companies.

What could make Paramount a dynamic item is the pay-TV system it has been testing in Canada and plans next year to set up in key areas in this country. Since the system operates through wires, it is not subject to the life-or-death powers of Federal regulation as are the proposed systems that use airwaves and so far haven't been able to clear the

regulatory authorities. If it meets with success in this venture the contribution to profits could be substantial. The color-TV market is still one open to question although it has been growing. Any marked improvement in the color business would, obviously, be of good help to Paramount's profit picture. So while there are questions about Paramount's future, it is a company that is on a solid footing and the only one of the major film producers to have any sort of a dividend record in recent years; its \$2 payout has been constant over the last decade.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Nat'l Comm. Fin. Conf. Elects

J. Martin Seiler, Executive Vice-President of the New York firm of A. J. Armstrong Co. Inc., and Thomas Lefforge, President of



J. Martin Seiler Thomas Lefforge

Commercial Discount Corp., Chicago, Ill., were elected President and Chairman of the Board, respectively, of the National Commercial Finance Conference.

\$35,000,000 Los Angeles, Calif. Bonds Offered

A Bank of America N. T. & S. A. underwriting syndicate merged with a Chase Manhattan Bank syndicate to purchase an issue of \$35,000,000 Los Angeles Unified School District and Los Angeles City Junior College District Bonds, due Nov. 1, 1962 to 1986, inclusive. The merged syndicate, which is managed by Bank of America, included The First National City Bank of New York; Bankers Trust Company, and Harris Trust and Savings Bank.

The merged syndicate purchased the \$27,500,000 bond issue of the Los Angeles Unified School District, paying a premium of \$193,949 for 3½% bonds. The dollar price was 100.705, and the net interest cost to the District was 3.4457%. The syndicate purchased the \$7,500,000 Los Angeles City Junior College District Bonds, paying a premium of \$52,549 for 3½% bonds. The dollar price was 100.701, and the net interest cost was 3.4461%. Both issues were re-offered to yield from 1.50% to 3.60%, according to maturity.

The Los Angeles Unified School District Bonds sold on Oct. 10 are the third offering of election of 1960 bonds. Proceeds will be used for various school purposes. The District includes the cities of Los Angeles, Vernon, South Gate, Huntington Park, Bell, Maywood, Gardena and San Fernando, as well as considerable residential and industrial areas which are unincorporated. About 81% of assessed valuation is in the city of Los Angeles.

The Los Angeles City Junior College District Bonds sold at the same time are the second offering of election of 1960 bonds. Proceeds will be applied to various

school purposes. The District includes the cities of Los Angeles, Beverly Hills, Culver City, Vernon, South Gate, Huntington Park, Bell, Maywood, Gardena, San Fernando, Palo Verdes Estates, Rolling Hills, Rolling Hills Estates and extensive unincorporated areas. About 76% of assessed valuation is in the City of Los Angeles.

Anaconda Secs. Opens

FT LAUDERDALE, Fla.—Anaconda Securities Corporation has been formed with offices at 1776 East Sunrise Boulevard, to engage in a securities business. Officers are Frank M. Smith, President; Arthur W. Clark Collins, Vice-President; Arnold M. Greenfield, Secretary, and John T. Van Tuyle, Treasurer.

Newburger & Co. To Admit Kamin

PHILADELPHIA, Pa.—Newburger & Co., 1401 Walnut Street, members of the New York and Philadelphia-Baltimore Stock Exchanges, on Nov. 1 will admit S. Irwin Kamin to Partnership. Mr. Kamin will make his headquarters in Pittsburgh.

With L. L. Fane

PLAINFIELD, N. J.—Saul Cohen has been elected Vice-President of branch operations for L. L. Fane & Co., 134 North Avenue, Leonard L. Fane, President, announced.

Mr. Cohen, was formerly with King Merritt & Co. in New York.

New York Stock Exchange Magazine Takes a New Look at Color TV

Order today and start with the October issue—full year's subscription—\$1.50

Here are just five samples of current business news that THE EXCHANGE Magazine, published by the New York Stock Exchange, discusses in detail in the October issue. Facts, figures and opinion help investors size up business developments each month. Send in the coupon today.

Color TV

Set manufacturers have decided to give another push to color TV. The number of manufacturers in the field has doubled since the first of the year. Read why they are "cautious but optimistic."

Management Ownership

Opinions are many and varied on whether shareownership by management should be required and whether ownership affects the job an executive does for his company. The October issue of THE EXCHANGE reveals how much management owns of 245 companies listed on the New York Stock Exchange.

25 Top Advertisers

This group of big spenders—excerpted from the August 28 issue

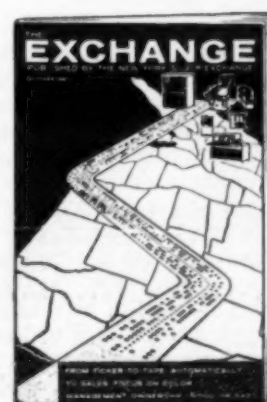
of Advertising Age—increased ad expenditures in 1960 but spent slightly less per dollar of sales and earnings. Ad budgets for the biggest advertisers among listed companies ranged from .4% to 27.3% of sales. See the advertising-sales-earnings table in the October issue.

LP Gas—the Baby Giant

Considered worthless 35 years ago, liquid petroleum gas had gross sales of over 1.5 billion dollars in 1960. The president of the largest independent distributor of LP gas tells THE EXCHANGE readers why the industry appears headed for its second stage of growth.

High Speed Stock Tables

With the aid of automatic computers and newly developed electronic equipment, full stock tables can be prepared in 3½ minutes. A story by the general business editor of Associated Press explains the high-speed equipment that will bring stock tables to newspapers across the country faster and more accurately than ever before.



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New Directions in Federal Gas Industry Regulation

Continued from page 3

duction of natural gas lends itself readily to an individual well by well or even company by company cost of service and rate of return approach. The man who risks his money to find gas is not like the ordinary public utility, if for no other reason than because under the law he has no public service obligation until he dedicates the gas he finds to the public service. But there are other reasons. The typical utility is a safe industry with a protected investment and consequently limited yield on the investment. The independent producer exemplifies the virtues of the pioneering entrepreneur. He risks his money—and the risk is real—in the hope of a large reward if he is successful. We cannot expect him to continue risking his money exploring for gas at the pace which the national interest requires without offering hope of something more than a return on the money expended at the level which is usual for the largely risk-free investments in conventional utility enterprises.

From the consumers' point of view, the cost-plus formula which is applied to most utilities would deprive consumers of the benefits of the drive toward economy and efficiency which results when each producer reaps the reward for his efforts. While I do not doubt, and I remind you that I speak only for myself, that the Commission could somehow cut through the technical obstacles to an individual cost-of-service approach, area rates, if workable, seem to me to be far preferable for producers and consumers alike.

The two area rate proceedings, for the Permian Basin and Southern Louisiana, can be expedited and given more meaning and direction by further Commission orders. For example, the Commission has yet to say whether the purpose of the proceedings is to provide a floor, a ceiling, or a norm, for gas sold within the respective areas. In announcing that it was departing from conventional rate-making practices, the Commission set standards which opened the door to any evidence remotely dealing with the economics, financing, technology and history of the industry. The Commission recognized it was breaking new ground and that it would be necessary to issue additional policy statements from time to time clarifying various issues. In the absence of such clarification, the record in the proceedings is apt to be so enormous that it would provide a poor basis for decision and review.

Ground Rules Essential

While my present thinking is that the area rate proceedings are a potentially important administrative device, they can be useful only if appropriate and comprehensive ground rules are put into effect. This has been the consistent cry of all parties. The ultimate responsibility for seeing that these ground rules are formulated is on the Commission. That duty we can neither shirk nor delegate, even though we will require the parties in the proceedings to aid us by giving us their views and suggestions. We are hard at work on this task and it is my earnest hope that we will have the answers, or the bulk of the answers, in the near future.

The one evidentiary matter on which the Commission has given a clue to its thinking is with respect to evidence on cost. The major parties to this proceeding have been ordered to complete a questionnaire on costs pursuant to the Commission's order of Aug.

2, 1961. I might say in passing that we have received many helpful suggestions from the producers for clarification of this questionnaire, and we are incorporating them in some revised sheets that will enable us to obtain the needed information in a manner that is more convenient. We are also hard at work on an abbreviated questionnaire for the small producers.

The cost questionnaire makes clear the Commission view that area rates cannot be promulgated without a knowledge of at least the overall cost of producing gas within the area. As it happens, I did not participate in the promulgation of the Aug. 2 order requiring the submission of cost data, but this was only because I did not have sufficient background at the time to feel justified in voting on so complex a matter. However, I am in thorough accord with the order and, indeed, I do not see how the area rate proceedings can arrive at any useful conclusion without the cost data called for by the order.

I fully appreciate the difficulty of the allocations necessary in determining the cost of gas, or perhaps more properly, a cost of gas. I cannot believe, however, that any of you conduct your business operations without some concept of costing, and allocations are the heart of costing in this as in many other industries. By the same token, I feel you will agree that when we seek to determine a fair price for your product and services we should have a reasonably complete idea of your costs. The Natural Gas Act, the courts, the consumers, and from the indications in your pleadings, you, yourselves, cannot be satisfied with regulated prices which are not somehow related to costs. By emphasizing the necessity of cost information, I do not mean to imply that costs, plus a utility return, should constitute the limit of the price. I fully realize that gas is not available until it is discovered and that there must be an incentive for discovering more and more gas if the industry is to remain healthy. I do not delude myself that simply recovering costs plus a 6% return on investment is a sufficient incentive.

I am not unmindful of the extent to which this industry has been haunted by a past in which natural gas was all but a waste to be flared off or sold at whatever price could be had from local users, like the calves' liver which the meat markets of my early years would give away to purchasers of other meats. Natural gas has now emerged as one of the principal petroleum products, much sought after for its own sake. The enormous demand for natural gas requires assigning to it a fair share of the costs of the well and of related exploratory expenses.

I want to emphasize that I do not believe that gas, any more than calves' liver, should be priced on the basis of its market status of a half or even a quarter century ago.

"Ceilings, Not Floors"

I believe that area prices, to be an effective form of regulation, must be set as ceilings and not as floors. I do not mean to rule out completely the possibility of limited exceptions to area ceilings when such exceptions can be made without substantial effect on the ceiling. However, if every company insists that unless limited by contract it has the right to the area rate as a floor plus anything more it can get in an individual determination, we may as well use an individual cost of service rate base method from the outset. I

have been led to believe that many feel, as I now do, that such regulation is not feasible for producers. However, some of the recent producer pleadings contend that any area rate decision must include a reservation which would allow marginal, inefficient or unlucky producers to get a higher price by an individual cost of service showing. These producers seem to believe that rate base cost of service pricing may be workable for raising prices from a floor, although worthless for fixing a ceiling. It seems to me that such a position would make the area pricing approach meaningless.

The basic idea behind area pricing is uniformity of prices and administrative simplicity. If area proceedings are merely to determine rates which each individual company would be free to take or leave, we would accomplish very little. In fact I would then view these cases as a giant step backwards. Fixing area prices based on area-wide costs and conditions would allow the individual company that is more efficient to reap the benefits of its efficiency. But to allow the company that is less efficient or not so fortunate to have higher rates would, in my judgment, allow the producers both to have their cake and eat it. It would be too much to expect consumers to accept such a heads-you-win, tails-I-lose approach. I doubt also that it would meet enthusiastic reception by the courts.

The concept of area rates as a norm, which might be increased for a particular producer on his application and proof of inadequacy, or reduced on the initiative of the Commission or purchasing interests on proof that the area rate was excessive as to him, seems to me to be no better than an area floor. It would not provide producers with the vital assurance they need as to market price before they invest in new drilling ventures. Moreover, a norm would be more likely to be breached on the high side than the low because each producer knows his own circumstances better than do his customers or even the Commission staff. If such a system were to work perfectly, it would be the practical equivalent of individual determinations on a cost basis, which we are all agreed does not conform well to the structure or economics of the natural gas business.

Before leaving the subject of the area rate hearings, let me say that I am impressed by the serious efforts of practically all parties to help make these proceedings a success. I have welcomed the comments of record by a large segment of the producer respondents that these proceedings should be given a fair test before the Commission considers abandoning them. The parties are, I trust, well along in the preparation of their evidence in both proceedings. The Commission staff, I assure you, is working equally as hard. With a continuation of this effort I am convinced that we can bring these cases to an expeditious and meaningful conclusion.

Solving Procedural Problems

On that note of optimism, I should like to leave the area rate proceedings and speak generally of a few of the steps which we hope to be able to take in the near future to solve some of the procedural problems of natural gas regulation which are giving difficulty to every segment of the industry.

A continuing problem of regulation is to avoid needless uncertainty as to Commission policies. Such uncertainties add to the case-load, stimulate litigation, and waste the time of everyone concerned. I hope that the Commission can turn to the increasing use of policy statements to express Commission policies in a clear-cut and comprehensive way, rather

than waiting for policies to emerge fragment by fragment from a mass of decisions in long-drawn-out cases.

I hope also that we can write our opinions in such a way that practitioners can more readily identify the policies underlying the decisions. This is the proper function of an opinion. What we say on a given question should apply generally to all similar cases, so that once the Commission has decided a question it should not be necessary to bring up the question again. We shall attempt to leave no doubts as to the basis for our decisions.

The Commission will continue to give ever-increasing attention to the internal processing of our work. I hope we shall be able to schedule the steps in each important case so that the Commission can know from day to day where any important case stands and at what point it is being held up if it isn't moving. You should not have to come to us to point out that your cases are lagging or need expediting. We should be the first to know it, and before you could come to us to complain of delay we should be hard at work trying to eliminate the bottleneck if one exists.

To Expedite Rate Investigations

On one such item we are determined to make progress. I am pledged to do what I can to simplify and expedite our rate investigations. I am hopeful that we can concentrate more on the significant issues and find ways to avoid duplicating industry efforts. In turn, may I ask that the industry provide our field staff with every reasonable assistance, including the preparation of requested schedules and statements. The industry applicants can supply this material quicker and at less cost than the FPC men can take off the data from your books. Through such cooperation, we can reduce the time which our representatives spend in industry offices as well as the time between the filing of a case and its final disposition.

We are also considering a revision of our procedural rules to require a little more certainty from you at the time of filing as to where you stand and upon what you rely. In reading our regulation for pipeline filings for a price increase, it appears to me that we come close to requiring that you file your case-in-chief when you make your filing. We may find it necessary to say that this is precisely what you are required to file, and that a filing which is not accompanied by all of the facts upon which you will rely will be rejected as an insufficient filing.

By requiring that your cases be fully prepared in advance of filing, that our staff streamline its field investigations, and that interveners with a common interest pool their efforts, by handing down clear precedents so that settled issues need not be relitigated, by obtaining additional Commission personnel to handle our case load, and by setting cases for prompt hearing, we hope to have a fighting chance of deciding cases within the 5-month suspension period. That is our immediate goal as to pipeline cases and our ultimate goal as to producer cases once the initial area rate cases provide the ground rules. We shall make every effort to clean up our backlog of cases and to try new cases expeditiously. It will take time to get current, but we shall not stop trying until we have done so.

Let me interject at this point that when I speak of setting target periods for the disposition of cases, I am referring to cases in which the applicants seek the earliest possible determination and cooperate fully for that purpose. The provision of the Natural Gas Act which limits any suspension of rate increases to five months itself may create an incentive for

delay. Obviously, it will never be possible for the Commission to close a case within the target period if it must drag reluctant parties through each step of the proceedings.

Judicial Review of Roadblocks

There is one source of extensive delay which is in great measure outside of the control of the Commission. I refer, of course, to the delays occasioned by judicial review. The only way in which the Commission can minimize this delay is by taking its positions as soundly as possible and to explain them in well-reasoned opinions. But others may help, too.

It is true, I know, that a good deal of the natural gas litigation has been initiated by third party interests who were not confident as to the Commission's ability to protect the public interest. I hope their confidence will grow and that the Commission's dedication to the protection of the paramount public interest will become so clear that it will not be necessary for third parties to intervene in the future to the extent that they have felt required to do so in the past. I hope also that the parties will feel inclined to abide by our decisions in a much larger proportion of the cases. Being realistic, I will say that I do not expect a decline in natural gas litigation of such magnitude as to decimate the Bar.

This is perhaps an appropriate occasion to solicit the fullest possible cooperation from the industry in the Commission's administration of the Natural Gas Act. I have already had the pleasure of meeting a large number of the executives of the industry as they individually paid me the honor of a visit to my office to meet me and to wish me well. To many of them I had the opportunity of saying, as I have said also to men representing the consumers' interests, that I would welcome any suggestions which, from their experience with the work of the Commission, they might wish to offer as a basis for improving and expediting the Commission's work in the natural gas field. I now extend the same invitation to all of you. I can assure you that every suggestion will be fairly considered on its merits.

Lauds Industry's Technology

My acquaintance with the physical base of the industry, limited as it has been, has created in me an enormous respect for the technology of the industry and for the gifted people of many occupations and professions who make the industry run. The thousands of wells, many of great depth, which have been drilled in every kind of terrain and in the ocean itself; the giant pipes which have been laid on high ground, in swamps, across river beds and in deep water; the gathering and compressing stations and stripping plants, some of them many miles out of sight of land; the complex of pipelines which now lay across the whole length and breadth of our country; these are all a tribute to the enormous technological development which has been required in order to bring gas to the homes in virtually every metropolitan center of our country. Because most of these facilities are either buried or are located at great distances from the places where the gas is used, most gas consumers are probably entirely unaware of the engineering genius and the managerial skill, let alone the huge investment, which lies behind the gas supply upon which their comfort and welfare depend. Little does the housewife in Chicago or New York visualize the activities and the investments which underlie the gas supply which comes to her from half a continent away.

I am still far from a complete understanding of the natural gas industry. To me it is both fasci-

nating and perplexing, full of puzzles and paradoxes. The greatest of these paradoxes seems to me to be that in this, the fifth largest industry in the nation, accounting for about one-third of all of the energy consumed in the nation and serving over 34 million consumers, there is no unified responsibility for supplying the requirements of the consumers. The distributing company, when it needs greater supplies, must depend upon the reserves of producers with which it does not even have direct contractual relations and who are joined with it only through the pipeline company intermediary.

My background in the electric utility field, where integrated operations are the rule, makes me wonder how a system with no unified responsibility could operate efficiently. It seems apparent that there must be more to this system of supply than meets the eye. Thus far, I have heard of no failure of supply to any existing consumers, and the households across the nation are apparently comfortably confident that the gas they need will be there when they call for it. Upon this consumer confidence that the gas will always be there when the household furnace, the kitchen range and the water heater are turned on, even—or especially—in the coldest weather of northern winters, the whole success of the industry depends. If this confidence should once be impaired, the damage to the industry would be irreparable. All elements of the industry must work together to instill and maintain a justified sense of complete assurance in the adequacy and continuity of natural gas supply, and at a price which will preserve its status as a fuel which is not only convenient and dependable, but inexpensive as well.

The Federal Power Commission has played a significant role in the development of the natural gas industry. It has been the forum through which natural gas supplies have been channeled from points of production to points of use. It has provided the consuming public with assurance that adequate gas supplies were available for the new lines which were certificated and it has provided investors with assurance that the new investments were desirable, feasible, and economically sound. It has provided vital support for the industry's growth from an infant to a giant. The Commission's activities under the Natural Gas Act have not only benefited the industry, but despite the delay in producer rate regulation have also afforded a large measure of protection to the consumer. The Commission has an equally important role to play in the industry's future. I believe that the contribution of the Commission in the years to come will be as notable and constructive as the contribution it has made in the past.

I am frank to say that when a position on the Federal Power Commission was first broached to me, I had my doubts that this was the field of activity or the agency to which I should want to dedicate the next few years of my life. I wondered whether in this area of activity, so traditional in its objectives and so hedged with procedural restraints, there was an opportunity to exercise such qualities of imagination and initiative as I might possess. The last few months have removed my doubts. The work of the Commission is as full of important, live and pressing problems as one could hope to find anywhere. These are problems which cry for energetic and imaginative treatment. My question is now the reverse, whether it is possible for me to measure up to the challenge and to play my part in the Commission's work of bringing greater order and progress to this vital industry, and greater stability and

protection to the consuming public. I can only assure you that I shall never be satisfied until the Commission has developed rules which are fair to all of the elements of the industry as well as to the consumers and which constitute a foundation upon which the men of enterprise who characterize the industry can continue to build.

*An address by Mr. Swidler before the Annual Membership Meeting of Independent Natural Gas Association Meeting, Houston, Texas, Sept. 19, 1961.

Educators Inv. Assoc.

SWATHMORE, Pa. — Educators Investment Associates has been formed with offices at 401 Dickinson Avenue to engage in a securities business. Partners are Russell L. Snyder, general partner; and R. K. Snyder, limited partner.

Lowe's Companies Stock Sale

Public offering of 415,000 common shares of Lowe's Companies, Inc. at \$12.25 per share is being made by G. H. Walker & Co., Inc., New York City, and associates. The offering marks the initial public sale of the company's common stock.

None of the proceeds from the sale of the stock will accrue to the company as the offering is being made for certain selling stockholders.

Lowe's headquartered in North Wilkesboro, N. C., is engaged, directly and through subsidiaries, in the retail and wholesale distribution, on a volume basis at discount prices, of building ma-

terials and supplies, major household fixtures and appliances and other consumer durable goods. The company currently has 28 sales outlets, located in North Carolina, Tennessee, Virginia and West Virginia. Of these, 16 are stores owned by the company, directly or through subsidiaries, and 12 are independently owned Associate Stores which contract for use of the "Lowe's" name and sell principally merchandise purchased by such stores from the company.

Henner Bros. in Chicago

CHICAGO, Ill.—Henner Brothers, 110 North Franklin Street, are engaging in a securities business. Partners are William E. Henner, William E. Goldstandt, and David G. Henner.

Shaskan & Co. to Admit Partner

Shaskan & Co., 67 Broad Street, New York City, members of the New York Stock Exchange on Nov. 1 will admit Sidney R. Buchman to Partnership.

Now Sherman & Hall

ALLENTOWN, Pa. — The firm name of Schlegel, Sherman & Hall, 539 Hamilton Street, has been changed to Sherman & Hall Inc.

R. T. Brennan Opens

SAN FRANCISCO, Calif.—Russell T. Brennan is engaging in a securities business from offices at 5040 Geary Boulevard.

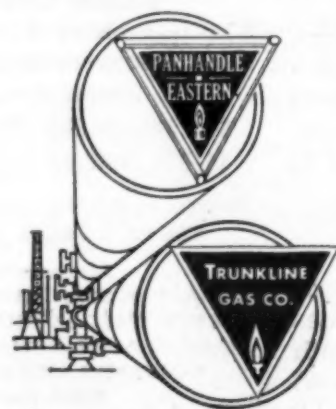
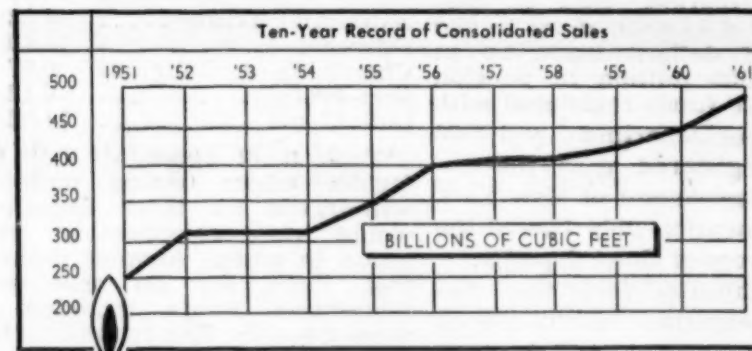
**Here's
DOUBLE-BARRELED
GROWTH
for
you!**

Growth is a continuing and well known American success story. Just as real, but even more striking, is the growth of the industry that fuels industrial progress — natural gas. Real . . . because the natural gas industry has doubled its sales in just a few years. Striking . . . because this dynamic performance has been achieved even during periods of slackening business activity.

Panhandle Eastern is part and parcel of the growth record in natural gas. As you read this, Panhandle and its subsidiary, Trunkline Gas Company, are working rapidly to increase system capacity by 420,000 MCF per day. This \$125,000,000 expansion will bring total daily capacity to two billion cubic feet . . . more than double that of ten years ago.

The sales chart at the right shows the Panhandle—Trunkline System's growth over the past decade. All reli-

able indicators for the next ten years point to a population increase in our service area substantially above the national average. Small wonder Panhandle people are progressively busier, bringing industry in the nation's heartland the essential fuel to go on growing.



PANHANDLE EASTERN PIPE LINE COMPANY
120 Broadway, New York 5, N. Y.

Subsidiary:

TRUNKLINE GAS COMPANY
3000 Bissonnet, Houston 5, Texas

New York Savings Banks' Deposit Service Solidified

By William Lumsden*, Vice-President, The Bowery Savings Bank, New York City

Mr. Lumsden describes unique ability of New York savings banks to handle large deposits, from foundations, pension funds, etc., by placing them in various banks through the Distributor Service operated by the Savings Banks Trust Company. He, also, refers to the untapped market estimated at billions of dollars in making his report of the Distributor Service's accomplishments to date.

As chairman of the Committee on the New York Savings Deposit Distributor Service,¹ I am happy to report that the Service is working to the benefit of our industry and to the benefit of every member savings bank. And the future of the Service looks promising indeed.

According to a front-page article in the *Savings Bank Depositor* over \$47 million has been placed in New York State savings banks during recent months through this new and unique service, operated so ably by Savings Banks Trust Company. This represents a gain of \$34 million during the first eight and one-half months of 1961. Figures supplied by the Association show a net deposit inflow (exclusive of dividend credits) of \$65.1 million in regular deposits for the state as a whole for the first eight months of 1961. The \$34 million in deposits distributed by the Trust Company to individual banks during the period from Jan. 1 to Sept. 15 of this year, indicate that 50% of the state-wide gain is due to this service.

The \$47 million is distributed in 4,950 separate accounts, among all 127 State savings banks. The general satisfaction with the service is clearly evident by the fact that only \$3,567,000 has been withdrawn to date. Since the inception of the service almost 3 years ago, withdrawals have aggregated less than 8% of the amount deposited. I submit that this is an excellent record.

Huge Untapped Market

As to the future, let me outline briefly some of the plans formulated by the committee, working closely with Savings Banks Trust Company, in the conviction that the service has a great potential. We estimate that untapped market, that is, untapped by S D D S, to be in the billions of dollars, made up in part of \$300 million in pension and welfare funds registered with the Banking Department and \$900 million registered with the Insurance Department of New York State, to mention only two of the many sources of these deposits.

The committee feels that, despite the excellent results gained so far, a more concerted effort should be made to attract these large deposits. We believe there

¹ The Distributor Service, operated by Savings Banks Trust Company, enables depositors who wish to place large sums of money—as much as \$1,270,000—in New York State savings banks to do so in one transaction. The Service accepts a single check and a single certifying document, and distributes the total deposit among the savings banks in units not to exceed \$10,000.

The latest report of the Distributor Service, established three years ago, appears in the October issue of *The Savings Bank Depositor*, Association publication which is being distributed at the convention.

The actual amount placed through the Distributor Service, as of Sept. 15, is \$47,149,477. The money was distributed in 4,950 separate accounts, among all 127 of the state's savings banks.

are substantial funds available for deposit in our savings banks through this service, if we go after them vigorously.

The individual banks must, however, continue to play an important part in the development and promotion of the service. We are sure that with their enthusiastic interest and support the full potential of the program will be realized. This is a point we should like to stress.

With one exception, the Trust Company, in distributing the funds to the savings banks, has been careful to work within the framework of accepted bank practices; the notable exception being the automatic remittance of dividends on certain accounts without presentation of the pass-book. It is necessary to obtain a high degree of coordination among the individual banks so that the effect upon depositors transacting business with the Trust Company would be the same as though he were dealing with a single savings bank. This requires close cooperation between savings bank personnel and the Trust Company. Although there has been commendable performance by bank personnel in this regard, greater effort could be made in some banks to speed up the processing of transactions forwarded by the Trust Company. The committee urges that each bank appoint someone to act as the contact man with whom the Trust Company would clear all transactions and any problems arising therefrom. Because of the expansion of this service to include all accounts legal for savings banks and because of minor changes in practices, a new outline of operating procedures is being prepared for distribution to the banks in the near future.

Stability Assured

A considerable degree of assurance against the rapid turnover of these deposits is provided for in the diversification of depositors using this service as indicated by the summary below:

Type of Depositor	Ratio to Total Deposits
Banks & Trust Cos.	30.84
Union Funds	18.33
Individual Trusts	4.02
Estates	19.40
Charitable & Religious	9.97
Non-Profit	6.12
Individuals	11.32

Thus it is apparent that the factors which would motivate withdrawals by these depositors would vary considerably from group to group. Another point is that there are no short-term foundation funds included in these deposits. The committee has been of the opinion that this type of account should not be solicited by the Savings Deposit Distributor Service because of the lack of general acceptance of these deposits by the member banks. A review of this policy is now being made by a subcommittee headed by Robert F. Marchant, Executive Vice-President of The Bank for Savings in the City of New York and the report of his committee is being anticipated with considerable interest. I'm sure, that there are many problems in connection with the acceptance and distribution of foundation funds which must be resolved before they can be recommended for solicitation by the Savings Deposit Distributor Service.

ommended for solicitation by the Savings Deposit Distributor Service.

Finally, may I urge that each and every member bank support and assist in the efforts to promote the Service in the months ahead. The individual effort by each of you will not only be beneficial to yourselves but to the industry as a whole.

*A talk by Mr. Lumsden at the 68th Annual Fall Convention of the Savings Banks Association of New York State, Quebec City, Canada, Oct. 6, 1961.

Inv. Co. Inst. Elects Schimpff

Charles H. Schimpff, President of American Mutual Fund, Inc. of Los Angeles, has been elected President of the Investment Company Institute which, for the past 20 years, has been known as the National Association of Investment Companies. Mr. Schimpff, a member of the Board of Governors of the investment company organization, was Chairman of the special committee which drafted the recently announced revision plan to broaden the Association's membership to include investment advisers and underwriters, as well as issuers, of mutual funds. The revision, including the change of the Association's name, became effective on Oct. 1.

Mr. Schimpff, a 30-year veteran in the investment industry, succeeds George K. Whitney, a trustee of Massachusetts Investors Trust, Boston, in the post of President of the Institute which represents 160 investment companies holding aggregate assets of more than \$20 billion.

Mr. Schimpff is also Senior Vice-President and member of the investment committee of Capital Research and Management Co., of Los Angeles, which is adviser to three other mutual funds in addition to American Mutual Fund.

Forms Academy Inv.

MEMPHIS, Tenn.—Thomas O. Philips, Jr. is conducting a securities business from offices at 2041 Goodhaven Drive under the firm name of Academy Investment Company.

Named Director

Samuel B. Payne, a partner in the investment banking firm of Morgan Stanley & Co., New York, was elected a Director of J. I. Case Company at a meeting of the Board of Directors on Oct. 5.

Adams Co. Branch

SHERMAN OAKS, Calif.—Adams & Company has opened a branch office at 14542 Ventura Boulevard, Jack Cory will serve in this office as the firm's Director of Research.

Forms S. & M. Co.

(Special to THE FINANCIAL CHRONICLE)
CLEVELAND, Ohio—Stuart Spiro is engaging in a securities business from offices at 3477 Tullamore Road under the firm name of S. & M. Co.

Paul Spear Opens

SAN FRANCISCO, Calif.—Paul Spear is engaging in a securities business from offices at 1220 14th Avenue. He was formerly with W. E. Hutton & Co.

BANK AND INSURANCE STOCKS

This Week—Bank Stocks

NEW YORK BANK EARNINGS AND MERGERS

Bank earnings for the first nine months of 1961 are now being released. The only major group of banks which have reported to date are New York City banks. As is shown below, all New York City banks have shown declines with the exception of the Chemical which had depressed earnings in 1960. The rate of increase for Chemical is somewhat lower than it was for the first six months when the earnings increase was 7.7%. In the case of other New York banks, although nine-month earnings are lower, their rate of decline has either diminished or has reversed itself. Also shown below are some of the reported earnings of selected banks outside of New York. It is obvious that earnings away from New York City show much more divergent trends than the major New York banks. Although only a few earnings of Westchester and Long Island banks are now released, these banks tend to show higher earnings for the nine-month period.

M. A. Shapiro & Co., New York City, in the September *Bank Stock Quarterly*, in their discussion of the 25 major commercial banks, points to the fact that the New York City banks earn at a lower rate on their loans and investments due to the fact that the bulk of loans are made at the prime rate. Although deposits of these institutions are on the rise, and in a period of recovery it is expected that the greatest earnings increases are realized by New York City banks, it is interesting to note that of the 25 major commercial banks, those outside of New York tend to show favorable deposit, loan and investment growth over the period shown. The most notable increase occurred in the area of investments for New York City banks; however, one must realize the investment portfolio is generally half of the loan portfolio and earnings rate from the latter is higher.

New York State banking authorities approved the merger of the Chase Manhattan Bank with the Hempstead Bank and also the merger of the Chemical Bank-New York Trust with the Long Island Trust Co. Before final consummation of the merger it must be approved by the Federal Reserve Board and clear with the Justice Department. Also approved was the creation of the Morgan New York State Corp. The State Banking Board at the same time did not allow the Marine Midland Corp. to acquire the First National Bank of Olean. This was denied on the grounds that it would further enhance the competitive position of the Marine Midland Corp. in the western part of New York State.

Under the Chase-Manhattan merger this institution would take over the Hempstead bank's 15 branches in Nassau County. The Chase now has 106 branches in New York City, two in Nassau County, and one branch under construction in Westchester County. The Chemical, through merger with the Long Island Trust would acquire 14 branches to add to its 110 branches mostly located in New York City. Long Island Trust has two of its branches in Suffolk County and these will have to be disposed of within five years. Chemical also has offices in Nassau and Westchester Counties.

The First National City still has application before the Comptroller of the Currency to merge with the National Bank of Westchester. Because First National City is Federally chartered, State approval is not necessary.

NEW YORK BANKS

	9 Mos. Earnings 1961	1960	% Inc. or Dec. in Earnings
Bankers Trust Co.	\$2.78	\$2.98	— 6.6%
Chase-Manhattan Bank	3.70	3.95	— 7.3
Chemical Bank-N. Y. Trust Co.	3.82	3.60	+ 6.1
First National City	4.21	4.49	— 6.2
Irving Trust Co.	2.23	2.54	—12.2
Manufacturers-Hanover	2.68	2.84	— 5.6
Morgan Guaranty Trust Co.	4.84	5.30	— 9.3

BANKS OUTSIDE OF NEW YORK

	9 Mos. Earnings 1961	1960	% Inc. or Dec. in Earnings
Bank of California	\$2.12	\$2.53	—16.2%
Fidelity-Philadelphia	3.84	3.57	+ 7.8
Industrial-National (Providence)	2.67	2.61	+ 2.6
Pittsburg National	2.08	2.33	—10.7
Union Nat'l Bk. of Comm. (Clevel'd)	3.53	3.51	+ 0.6

PERCENT INCREASE

(June 30, 1960-June 30, 1961)

	Deposits	Loans	Investm'ts
New York banks	4.3	1.2	16.6
17 major banks outside of New York	3.5	5.0	3.0

NATIONAL AND GRINDLAYS BANK LIMITED

Head Office:

26, BISHOPSGATE, LONDON, E.C.3.

London Branches

54 PARLIAMENT STREET, S.W.1.

13 ST. JAMES'S SQUARE, S.W.1.

Bankers to the Government in: ADEN, KENYA, UGANDA, ZANZIBAR

Branches in:

INDIA, PAKISTAN, CEYLON, BURMA, KENYA, TANGANYIKA, ZANZIBAR, UGANDA, ADEN, SOMALI REPUBLIC, NORTHERN AND SOUTHERN RHODESIA

Third Quarter Statistics

11 N. Y. CITY BANK STOCKS

Bulletin on Request

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SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Clientele Building — A Continuous Process

During the first few years of a security salesman's career, he is well aware that in order to be successful he must meet qualified prospects. He is enthusiastic and interested in every phase of his work. During this period he follows every lead, meets people in organizations and cultivates those who can help him to develop a clientele. But after he has been in the business for a few years, and he has some steady customers, he begins to think less and less of new business. This is a natural development. First of all he must spend more of his time in servicing his accounts. Also, it is natural for enthusiasm to fade as a salesman becomes more experienced; and along with some degree of success, the tendency to rest on one's laurels is almost a continuing problem among the salesmen who have a good business.

Customers Come — and Go

This would all be very well if it were possible to build a clientele that would replenish itself automatically. A salesman could afford to neglect his "new business contacts" and just sit back and enjoy the fruits of his past labors. But this is not that kind of a world. People move away and despite the close relationship that may have existed between a security salesman and his client, the impediment of distance often overcomes the customer and he finds that another firm closer to his door can service his account more advantageously. Unfortunately, people die and their heirs sometimes have other contacts and this too, will eventually cause some attrition among a salesman's clients.

Then people become dissatisfied for any number of reasons. A client may think he can obtain better service elsewhere. He may find another salesman who has a good firm behind him and who knows his business. Through some supposed oversight, or neglect, he may start buying securities from a competitor and it can happen that you have lost a client. Competition is very keen in many communities. There are other firms and salesmen who also are doing a good job. You can not become complacent if you wish to hold your business. The other fellow is out there working — and if you wish to stay in the race you must keep your enthusiasm up to par and continually cultivate new accounts.

If you rest on past performance your results next year will very likely be disappointing. If you continue in this rut, sooner or later you will be faced with the reality that you have lost substantial production. It is far wiser to see new people every week, develop new accounts as you go along, and continue the enthusiastic attitude that you had when you knew it was up to you to go out and build your own business.

Overcoming the Sales Slump

Since it is a common problem among nearly all salesmen who have been in the business for a while to relax and enjoy the luxury of sitting around the office, the following suggestion may be of some interest to any member of the profession who may wish to try it. This idea was used by a man who is now the salesmanager of a large underwriting, and member firm, whenever he began to get in a rut. He told me that when he was a salesman in a large city, that every time the urge to let up and take it easy would come to him, he would

known in his city, and it is true that he also had an element of prestige built into his situation when he proposed the interview, since he was with an organization that had a nationally known reputation in the underwriting field.

The first call was purely on a get acquainted basis. He made it his purpose to actually explore the possibilities of establishing an investment banking connection between his prospect's company and his firm. Since there was no immediate reason why most of these executive officers of various corporations might not desire to see him, he met some of the best prospects for investments in his city. During the course of a brief interview some of these men told him about their

investments, or suggested that he might keep in touch with them. He met these investment prospects on a most favorable basis and many of them eventually turned into clients as he continued to contact those who had evidenced some interest in securities.

Also, he obtained new energy and creative ability by the simple procedure of changing his pace. He met new faces, he visited with men in positions of responsibility, and he exposed himself to NEW BUSINESS. The way to get out of a rut is to get out of the office — call on some new prospects and get a fresh viewpoint. Sometimes it is as good as a vacation — maybe better, and much less expensive.

Now Alpha Secs.

PHOENIX, Ariz.—As of Oct. 2, 1961, Alpha Securities Company, located in the Central Towers Building, 2727 N. Central Avenue, formerly doing business as Cavanaugh, Geck & Co., assumed operations under their new corporate name.

The officers are: William E. Ward, President; Lawrence F. Kuriger, Vice-President and Treasurer; Gordon W. Leque, Secretary; William E. Deneil, Sales Coordinator. Additional members of the firm who are active as Account Executives are: Bernard W. Gruse, Richard H. Hall, Wayne T. Palmer, J. R. Harmon, Sidney L. Dowd, John K. Mardick, Thomas Carroll and James M. Nelson.



Beneath a field like this...

is a complex communications center

In minutes, an enemy attack could level some of our sprawling cities.

Because of this, the Bell System is now supplementing its great reaches of buried cable with a network of underground communications stations.

Under the protection of a thick earth and concrete cover, and away from major target areas, several Bell System communications centers are already in

operation. Many more are to come.

The walls for these installations are huge, reinforced concrete slabs. Ventilation systems filter air so fine that even radioactive fallout cannot enter. Food and water are stockpiled. Living quarters are provided for all operating personnel.

These buildings are costly. Tough to build.

Yet, the Bell System recognizes that communications are the lifelines of our

defense systems. And so we took the lead in establishing these underground centers with our own money.

There are many other ingenious projects in our "Survivability" program for America's communications. Many cannot be mentioned here.

Because of them, ambitious command, control and defense systems are feasible. And our vast existing communications network is one of America's most ready defense weapons.

BELL TELEPHONE SYSTEM



NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

Milton A. Cole and James C. O'Hara, Assistant Vice-Presidents have been elected Vice-Presidents



Milton A. Cole James C. O'Hara

by Chemical Bank New York Trust Company, New York, it was announced Oct. 6 by Chairman Harold H. Helm. Mr. Cole is with the Bank's 40th St. & Madison Ave. office and Mr. O'Hara with the 39th St. & 7th Ave. office.

Messrs. Cole and O'Hara both began their careers with the former New York Trust Company, New York, which was merged in 1959 into Chemical Bank New York Trust Company.

George J. Gansel has been promoted to Vice-President of the Chase Manhattan Bank, New York, David Rockefeller, President, announced Oct. 5. Mr. Gansel, who joined the Bank in 1930, heads the tax services division of the trust department. Appointed an Assistant Treasurer in 1945, he was promoted to Assistant Vice-President in 1957.

Henry H. Brown and Frank X. Kissane have also been promoted to Assistant Vice-Presidents.

Mr. Brown, who is in charge of credit analysis, has been on the staff since 1930 and was named

an Assistant Treasurer in 1951. Mr. Kissane is at the Jamaica Division Headquarters in Queens. He joined the Bank in 1929 and was appointed an Assistant Treasurer in 1955.

Also announced was the appointment as Assistant Treasurers of Jerome H. Dols and Richard Van Dyke, administrative department; Wilmer T. Langstroth, corporate trust officer, and Donald C. Berry, Jr., and William J. Kautz investment officers, trust department.

Irving Trust Company, New York announces the appointment of Philip McCallum and S. George G. Savory to Vice-Presidents.

At the same time, Joseph H. Conway, also with this Division, was promoted from Assistant Secretary to Assistant Vice-President.

The United States Trust Company of New York Oct. 6 promoted Norman J. Hollerith to Assistant Vice-President in the investment division, according to an announcement by Hoyt Ammidon, President. Mr. Ammidon also announced the appointment of Louis Klos as Educational Director.

THE CORPORATION TRUST COMPANY, NEW YORK

	Sep. 27, '61	June 30, '61
Total resources	\$4,949,804	\$6,253,508
Deposits	617,801	1,681,739
Cash and due from banks	2,736,037	3,639,142
U. S. Government security holdings	600,337	600,310
Undivided profits	754,238	863,026

The Bank of New York has made eight new staff appointments, it was announced Oct. 5 by Albert C. Simmonds, Jr., Chairman.

The newly appointed staff members include: Shelby M. C. Davis, Assistant Secretary, investment research department; Peter H. McCreary, Assistant Secretary, investment counseling department; Lindley G. Palmer, Assistant Secretary, investment counsel department; Henry L. Parcell, Assistant Trust Officer, personal trust administration department; Lyle J. Pirnie, Assistant Controller, auditing department; David H. Reed, Assistant Treasurer, banking department; Mark M. Saulnier, Assistant Treasurer, banking department; and Charles Young, Assistant Secretary, investment research department.

COMMERCIAL BANK OF NORTH AMERICA, NEW YORK

	Sep. 30, '61	June 30, '61
Total resources	209,504,929	208,821,669
Deposits	184,488,729	184,853,212
Cash and due from banks	25,178,650	29,886,153
U. S. Government security holdings	49,323,022	49,536,731
Loans & discounts	116,395,176	111,998,770
Undivided profits	4,019,812	3,670,001

Seven Assistant Vice-Presidents have also been elected by Chemical Bank New York Trust Company, N. Y., it was announced by Mr. Helm.

They are: Thomas S. Alm, Wilhelm Jung, Sanford Kleiner, Herman Menz, Theodore C. Merwin, Frederick H. Scholtz and Edward M. Townsend, Jr.

Promotions of Homer R. Berryman and Edward L. Brown to Vice-Presidents of The Marine Trust Company of Western New York were announced Oct. 10 by President Francis A. Smith.

Mr. Berryman is manager of the Buffalo, N. Y. office of the Bank's municipal securities department.

Mr. Brown is sales manager of the municipal securities depart-

ment with headquarters in the department's New York office at 120 Broadway.

SECURITY NATIONAL BANK OF LONG ISLAND

	Sep. 30, '61	June 30, '61
Total resources	232,642,521	226,727,022
Deposits	211,291,249	205,991,342
Cash and due from banks	25,862,132	25,049,184
U. S. Government security holdings	49,528,633	49,385,417
Loans & discounts	77,513,150	78,617,208
Undivided profits	1,265,337	788,731

NATIONAL BANK OF WESTCHESTER WHITE PLAINS, NEW YORK

	Sep. 30, '61	June 30, '61
Total resources	272,089,717	250,726,156
Deposits	249,304,905	223,037,999
Cash and due from banks	30,232,705	30,476,608
U. S. Government security holdings	87,157,182	73,354,662
Loans & discounts	76,791,185	73,243,438
Undivided profits	3,020,904	2,780,139

The National State Bank of Newark, N. J., announced the appointment Oct. 9 of James B. Stanley as Trust Officer.

On Sept. 26 the Comptroller approved an application of Haddonfield National Bank, Haddonfield, New Jersey and First National Bank of Collingswood, Collingswood, New Jersey, to consolidate under the charter of the former and under the title of "Haddonfield National Bank." The effective date is to be determined.

The First National Bank of Wilkes-Barre, Wilkes-Barre, Pa., increased its common capital stock from \$1,800,000 to \$2,250,000 by a stock dividend effective Sept. 27. (Number of shares outstanding 112,500 shares, par value \$20.)

The common capital stock of The Drovers & Mechanics National Bank of York, Pa., was increased from \$545,000 to \$654,000 by a stock dividend effective Sept. 29. (Number of shares outstanding 65,400 shares, par value \$10.)

SOCIETY NATIONAL BANK OF CLEVELAND, OHIO

	Sep. 30, '61	June 30, '61
Total resources	455,648,167	443,569,059
Deposits	414,769,472	405,830,302
Cash and due from banks	53,473,174	47,959,181
U. S. Government security holdings	112,988,648	110,745,250
Loans & discounts	230,257,451	227,354,601
Undivided profits	2,039,234	1,646,438

John J. McDonough, 54, Vice-President of Harris Trust and Savings Bank, died Oct. 2. He was Chairman of the Bank's loan division for the metropolitan Chicago area.

Mr. McDonough joined Harris Trust and Savings Bank in 1931, became an officer in 1939 and advanced to a Vice-Presidency in 1949. In 1953 he became Chairman of the loan division.

By a stock dividend, the common capital stock of The South Shore National Bank of Chicago, Chicago, Ill., was increased from \$1,000,000 to \$1,500,000 effective Sept. 25. (Number of shares outstanding 150,000 shares, par value \$10.)

The application of the Farmers State Bank of Alto, Alto, Mich., asked for permission to consolidate with The Edwin Nash State Bank, Clarksville, Mich., under the charter and title of Farmers State Bank of Alto, was approved on Sept. 26 by the Board of Governors of the Federal Reserve System.

THE NATIONAL BANK OF DETROIT MICHIGAN

	Sep. 30, '61	June 30, '61
Total resources	1,982,290,026	2,039,274,289
Deposits	1,782,462,944	1,841,455,671
Cash and due from banks	398,711,302	409,137,948
U. S. Govt. security holdings	565,772,803	577,355,327
Loans & discounts	726,883,252	770,482,088
Undiv. profits	26,259,791	24,667,863

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The money and capital markets continue to reflect the opinions that there will not be any important change in credit conditions or that interest rates will harden to any appreciable extent in the foreseeable future. The supply of funds for the seasonal demands of the economy are being readily met by the monetary authorities because, through open market operations, the amount of reserves of the commercial banks continues to remain at levels which seem to mean that there will be no shortage of credit for the balance of the year at least.

Cut in British Bank Rate

The need for short-term issues is as large as ever even though there is evidence that some of the hot money which had been in these securities has been moving into British obligations.

The reduction in the English bank rate from 7% to 6½% appears to indicate that conditions in the British Isles are improving. This decrease may also slow the movement of funds from here to England. It is a favorable development in the international monetary situation.

Treasury's Fall New Money Needs Met

The Treasury allotted \$2,176,000,000 of the 3¼% notes due May 15, 1963 to investors. This was just a bit more than the \$2 billion which the Government intended to pick up in the second stage of its new money raising operation. Investors, aside from the Government trust funds, were given 37% of their subscriptions in excess of \$100,000 which were allotted in full. The Treasury is now all through with its fall new money venture since the last phase was completed this week when \$500 million was obtained from the enlargement of the maturing of 12-month Treasury bill.

The Government has been able to meet its new money needs by offering only short-term and intermediate-term issues and has kept the pattern intact which has been in use since the start of the year for both new money and refunding purposes. There is not likely to be any change in this policy for the foreseeable future, since the market for long-term Government bonds is still a limited one. Also this sector appears to have been reserved by the Treasury for forward refunding operations which have turned out to be successful venture for the Government as well as those who exchanged the near-term issues for the most distant maturities.

Whether Interest Rates?

The pattern of interest rates is subject to considerable discussion but there appears to be a little more agreement on what is likely to happen with the passage of time than was the case not so long ago. There are those, however, who still believe there will be a boom, or better still, a super-boom which would be brought about by the great demand for housing along with sharply higher expenditures by corporations for capital goods purposes. There is no question but what a boom in housing and capital expenditures would produce a great demand for funds and this would most likely result in a lessening in the available credit. This would also bring about a change in monetary policy

so that interest rates, both long and short, would move up.

It is evident that an economy which is going to be based on a boom and bust psychology that will have inflationary implications is going to be brought to an end by the Federal Government. One of the ways in which it will be done is by the use of monetary measures, such as restricting the use of credit along with higher interest rates which increases the cost of obtaining these funds.

Conservative School of Thought

The other point of view on the future trend of interest rates is that there will be only a modest upward trend in short-term rates with the cost of long-term borrowings likely to trend up a little bit also. These money market experts are not looking for any sharp increase in the cost of obtaining money and credit for either short- or long-term purposes. They agree that the trend of interest rates will be determined by the pattern of the economy at home and what develops in the international financial situation. Which of these will be more important is a matter of guesswork since they will both be very important in determining future policy. These followers of the money market expect no boom in either housing or in capital expenditures by corporations so that there will be no excessive demand for long- or short-term funds. They believe that the economy will continue to move ahead at a rate which will not result in either a boom or a bust with attendant inflationary fears. This kind of economy should result only in a moderate increase in interest rates.

W. P. Bullock Opens

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Warren P. Bullock is conducting a securities business from offices at 9635 West Colfax Avenue.

L. C. Porter Opens

MIAMI, Fla.—Lawrence C. Porter is conducting a securities business from offices in the Alfred I. du Pont Building.

REPORT OF CONDITION OF THE CORPORATION TRUST COMPANY

of 120 Broadway, New York, New York, at the close of business on September 27, 1961, published in accordance with a call made by the Superintendent of Banks pursuant to the provisions of the Banking Law of the State of New York.

ASSETS	
Cash, balances with other banks, and cash items in process of collection	\$2,736,036.99
United States Government obligations, direct and guaranteed	600,336.80
Corporate stocks	60,000.00
Leasehold improvements	182,324.28
Furniture and fixtures	403,786.63
Other assets	967,319.10

TOTAL ASSETS \$4,949,803.80

LIABILITIES	
Demand deposits of individuals, partnerships, and corporations	617,801.47
TOTAL DEPOSITS	\$617,801.47
Other liabilities	2,752,764.79

TOTAL LIABILITIES \$3,370,566.26

CAPITAL ACCOUNTS	
Capital: Common stock, total par value	\$500,000.00
Surplus fund	325,000.00
Undivided profits	754,237.54

TOTAL CAPITAL ACCOUNTS \$1,579,237.54

TOTAL LIABILITIES AND CAPITAL ACCOUNTS \$4,949,803.80

MEMORANDA

Assets pledged or assigned to secure liabilities and for other purposes	\$109,630.40
Securities as shown above are after deduction of reserves of	944.45

I, CHARLES J. SKINNER, Treasurer, of the above-named institution, hereby certify that this report of condition is true and correct to the best of my knowledge and belief.

Correct—Attest: CHARLES J. SKINNER,

O. L. THORNE

RALPH CREWS, Directors

GEORGE T. WHELAN



AUBREY G. LANSTON & Co.

INCORPORATED

20 BROAD STREET

NEW YORK

CHICAGO BOSTON

MUTUAL FUNDS

BY JOSEPH C. POTTER

Open Up That Golden Gate

Millions of Americans, will have scant difficulty in recalling the grim years of the 1930's. Many of our people, their jobs or their land gone (remember the Okies and the Arkies?), sought the sunny clime of California. They sought and usually found, after much travail, a better life west of the Rockies.

A measure of the changed nature of the country now is pointed up by a report from the Investment Company Institute (formerly named the National Association of Investment Companies) which has found that investors in California led the country in the purchase of mutual fund shares in the first six months of this year. According to the survey, Californians bought well over a quarter billion dollars worth of funds, an increase of nearly \$70,000,000 from the year-ago period.

Second to California among the states was New York, where purchases totaled \$213,000,000 for a gain of around \$20,000,000 from the first half of 1960. California, which is well on its way to passing New York in population, long ago emerged as the leading customer for automobiles and now shapes up as the prime customer for the mutual funds.

As the figures show, California easily surpassed the over-all national gain registered by the funds. Nationwide, purchases of shares amounted to \$1.4 billion for the six months, or 26%.

Incidentally, only four of the 50 states failed to register an increase. One of these was the Arkansas which cradled many affluent Californians.

Considering their size, it will occasion no surprise that Pennsylvania and Illinois should rank third and fourth, respectively, among buyers of funds. But Massachusetts, which has neither clime nor size going for it, came up with a whopping gain of over 50% (\$62,182,000 in the first half of 1961, compared with \$41,317,000 in the like 1960 period). There's the little matter of Yankee thrift and industry.

For the people who vend mutual funds, the Golden Gate beckons almost everywhere in this land. If Yankee land outdid the West Coast on a percentage basis, the Midlands didn't do badly either. Thus, Missouri bought \$59,000,000 worth of funds in the first half of this year, compared with only \$42,000,000 a year earlier; Michigan was pushing the \$50,000,000 mark, up from \$39,000,000, and Minnesota, with \$42,557,000, scored a gain of nearly \$9,000,000. And Florida, which has climate, size and a lot of transplanted folks from the North, provided a market for nearly \$51,000,000 worth of funds for a gain of \$12,000,000.

Aside from a few bleak spots, fund customers abound in every part of this land. As the survey of the NAIC illustrates, its 160 member companies have approximately 2,600,000 shareholders—individual and institutional—with about 5,000,000 shareholder accounts.

The petroleum people have a way of saying that "oil is where you find it" and this applies equally to fund salesmen. No doubt there are people in California and Massachusetts who can't sell funds. And it's a fair assumption that there are fund people in Wyoming and North Dakota, both of which showed

declines, who are doing a brisk business.

An Arkansas hog-caller may be a less substantial prospect than a California land developer, but the customers are just about everywhere. Wall Street may continue to be the financial capital, but the narrow little street is destined to become increasingly dependent on the people west of the Hudson River for sustenance. And there will be no lack of sustenance either, for that matter, for those mutual fund vendors who recognize the universal desire for a stake in American industry under the stewardship of skilled management.

The Funds Report

Abacus Fund had net assets of \$43,987,988, equal to \$51.40 per share, at Sept. 30, it was announced by Wm. K. Jacobs, Jr., President. These figures compare with \$36,807,160, equal to \$43.01 a share, at Sept. 30, 1960, and \$38,616,498, or \$45.12 a share, at Dec. 31, 1960.

The five **Axe**-sponsored mutual funds report an increase of more than \$40,000,000 in total net assets during the 12-month period ended Sept. 30. According to preliminary figures, the total was \$254,013,267 on Sept. 30, against \$213,791,650 at the end of the third quarter of 1960. All five funds participated in the advance. The funds also report an increase in the net asset value of their shares, ranging from 10% to 18%.

Canada General Fund Ltd. reports net asset value per share reached an all-time high at the end of its ninth fiscal year, Aug. 31. The annual report of the American-sponsored fund, which invests exclusively in the securities of leading Canadian corporations, reveals that the per share value was \$15.90 at the end of the fiscal year. Three months earlier the figure was \$15.68 and a year earlier it was \$13.29. At the close of the latest year investments were diversified among 62 companies in 16 industry groups. Share issues continued to represent the leading industry category, accounting for 16.7% of assets. Other leading groups were utilities, with 13.7%; banking 12.9%; and oil and gas 12.8%.

Carriers & General Corp. reports total net assets at Aug. 31 were \$20,925,798. This is equivalent to \$37.30 per share, compared with \$30.48 per share a year earlier.

Fidelity Capital Fund, Inc. reports that at Aug. 31 total net assets amounted to \$132,743,563, or \$20.21 per share. This compares with \$64,870,451 and \$18.81 a share six months earlier and \$20,059,258 and \$15.08 per share at Aug. 31, 1960.

General American Investors Co., Inc. states that at Sept. 30 net assets were \$59,613,441, equal to \$37.64 a common share. This compares with \$32.21 a common share on June 30 and \$27.70 a share at the close of 1960. During the third quarter of this year purchases of common stocks totaled \$1,490,590 and sales amounted to \$1,209,310. During the three months the company increased holdings of Celanese and purchased Security Insurance Co. of New York and Scott, Foresman &

Co. It sold off Emhart Manufacturing Co. and M. A. Hanna class B while reducing holdings of Hanna class A and Thatcher Glass Manufacturing Co.

Guardian Mutual Fund, Inc. reports that at Sept. 29, marking 11 months of the fiscal year, net assets were \$15,349,393, or \$22.66 per share. At Oct. 31, 1960, close of the last fiscal year, assets amounted to \$9,018,414, equal to \$18.58 per share.

Net worth of Imperial Capital Fund at Aug. 31, end of the third quarter, was \$19,480,223. Net asset value per share was up from \$8.15 a year earlier to \$9.88. New holdings added during the latest quarter included Boeing, Lockheed, Western Bancorporation, Central & Southwest Corp., Middle South Utilities and Southern Co.

Niagara Share Corp. reports that at Sept. 30 net assets were \$66,514,167, or \$24.62 per share. This compares with assets of \$58,277,465, equal to \$21.57 a share, at Sept. 30, 1960.

The first public offering of **Varied Industry Plan, Inc.** of Fort Wayne, Ind., has been made at \$4.89 per share. Principal objective of the fund is long-term growth of capital.

Gen. American Transportation Cdfs. Offered

Public offering of \$25,000,000 **General American Transportation Corp.** (Chicago, Ill.) 4.55% equipment trust certificates due Oct. 1, 1981 is being made by an underwriting group headed by Kuhn, Loeb & Co. Inc., at par plus accrued interest.

The certificates are secured by over 2,300 railroad cars, mainly tank and Airslide covered hopper cars, built by General American for its fleet of specialized carriers.

Proceeds from the financing will be used to reimburse the corporation for the cost of the cars securing the certificates. General American Transportation contemplates for the remainder of 1961 and 1962 the expenditure of approximately \$30,000,000 for additions to its fleet, funds for which will be provided from its treasury.

A \$1,250,000 annual sinking fund commencing in 1962 will retire 95% of the issue one year prior to maturity. The certificates will be redeemable for the sinking fund at par plus accrued interest. They also may be redeemed optionally on and after Oct. 1, 1971, at prices ranging from 102% to par, plus accrued interest.

The principal business of General American Transportation is the supplying of its railroad freight cars to railroads, and shippers of chemical, petroleum and food products. In addition to manufacturing carriers for its own fleet, the corporation builds cars for sale to other companies, owns and operates the largest single aggregation of public tank storage terminal facilities in the United States, and furnishes many other products and services to industry.

Form Builders Secs. Corp. WASHINGTON, D. C.—Builders Securities Corporation has been formed with offices at 729 Fifteenth Street, N. W. to engage in a securities business. Officers are James Juliano, President; and Isadore Parzow, Secretary and Treasurer.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Illinois Power Company

Illinois Power supplies electricity and gas to a population of 1,120,000 in portions of central Illinois. Leading cities served include Decatur, Danville, Galesburg, Bellevue, Champaign, Granite City, Bloomington and East St. Louis. The economy of the area includes such agricultural products as corn, soybeans, wheat, livestock and dairy. Industries include bituminous coal, food processing, oil production and refining, steel mills and iron foundries, metal working plants, cement and earth moving equipment, etc.

Revenues are about 73% electric with gas contributing most of the remainder. Electric revenues are about 42% residential and rural, 22% commercial, and 30% industrial. Residential and space heating contributes two-thirds of gas revenues. Population growth has been close to the national average in recent years and this trend is expected to continue. Industrial activity has shown good growth in recent years. Major industrial customers include General Motors, Granite City Steel, appliance manufacturers, petrochemical and plastic companies, etc.

The company's revenues increased 139% in the decade ending 1960 (some of this being due to rate increases, however). Earnings per share did not show any net gain during the years 1950-54, but in the last five years showed an average annual gain (compounded) of 11% which however was favorably affected by a rate increase. The rate of return on net plant increased from 4.7% in 1953 to 7.1% currently.

Electric generating capability totals about 1,064,000 kw compared with last year's peak load of 777,000 kw. Since the company is a member of a power pool, no increase in capacity is anticipated before 1964 when a 335,000 kw unit will be added. In 1964 peak load is estimated at 1,100,000 kw.

Almost 70% of gas revenues (28% of total revenues) is derived from residential space heating and approximately 60% of the customers residing in areas served by natural gas use this fuel for heating purposes. Through the development of underground storage, new customers have been connected each year despite difficulties in obtaining additional gas.

The Federal Power Commission has approved an expansion program for Trunkline Gas Company (subsidiary of Panhandle Eastern Pipeline) which will provide daily delivery of an additional 25 million cf of gas, permitting the company to take on 17,000 new heating customers. Revenue from these additional installations will be received beginning in late 1961. Development of another underground field near Tilden will be completed by the beginning of the 1961-62 heating season, and as a result natural gas will be available for heating to almost every applicant for such service in the southern area.

Construction expenditures and the credit for interest on construction have been projected as follows:

Year	Construction (Millions)	Interest on Construction Credit per Sh.
1960	\$24	3c
1961	35	6c
1962	36	10c
1963	49	26c
1964	42	24c

Another \$20 million may be required for construction if a new

gas supply contract with Trunkline Gas is approved. Because of moderate construction expenditures over the next two years financing is expected to consist of senior securities only with no equity financing likely before 1964.

The company enjoys a favorable regulatory climate and late in 1958 electric and gas rate increases totaling about \$4.3 million were obtained, equivalent on an annual basis to about 33c a share on the present number of shares. The company enjoys a fair value rate base for regulatory purposes, permitting a current return of about 7.1% on original cost of net plant (year-end basis).

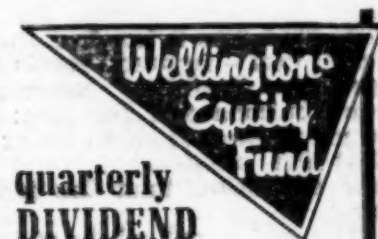
Illinois Power serves an area adjacent to the proposed new rural electric cooperative generating plant to be constructed in southern Illinois. Revenue loss should be small, however, and assuming that the state Commission asserts jurisdiction over the operations of the co-op, this development should not materially alter the company's growth pattern.

Revenues from all classes of electric customers showed gains over last year in the first half of 1961, although industrial revenues were down in the first quarter. Weather conditions were unfavorable in the first quarter for gas (being the mildest in recent years); but in the second quarter the weather was cooler than normal, which reduced the use of electricity for air conditioning, though there was some offsetting gain in gas heating sales.

Reflecting rising residential load and new industrial business, electric revenues are expected to gain at a slightly higher rate over the next few years than during 1955-60. The stock has been selling recently around 82½ to yield 2.7% based on the \$2.20 dividend rate. Earnings for the 12 months ended Aug. 31 were \$3.06 compared with \$2.90 in the previous 12 months. The current price-earnings ratio is 27.

ASE Nom. Comm. To Hold Meetings

The Nominating Committee of the American Stock Exchange will hold open meetings Nov. 8 and Nov. 16 in the committee room at 86 Trinity Place, New York City, to receive nominees for offices to be filled at the annual election on Monday, Feb. 12. Offices to be filled are Chairman of the Board; five members of the Board of Governors (regular members); four members of the Board of Governors (non-regular members); and Trustee of the Gratuity Fund.



quarterly
DIVIDEND

3c a share from net investment income and 25c a share distribution from realized securities profits, payable November 15, 1961 to stock of record October 20, 1961.

WALTER L. MORGAN,
President

October 5, 1961

A Prudent Pension Fund Investment Policy

Continued from page 1

know, there has been no court ruling on factors pertaining to what would be considered prudent for the trustee of a pension fund. Therefore, our next step is to examine the requirements of a special type of trust fund — the pension fund—in order to apply our knowledge of prudence to this specific problem.

What Is a Pension Fund?

The typical pension fund is a trust which has been established to provide a certain schedule of retirement benefits. These benefits are obtainable by those individuals who are covered by the particular trust and who meet a detailed schedule of requirements. If the covered individual satisfies the requirement, then he is entitled to the benefit which most often is expressed in dollar amounts.

We are all aware of the facts of life in a collectively-bargained industrial society in which the dollar benefit is subject to periodic renegotiation and change. But the trustees' task, at any given moment, is to make certain that the fund is sufficiently sound to meet the existing dollar payment when it comes due. All other considerations are less important.

There are many types of plans available to the trustees and variety of investment theories from which he can choose. Be this as it may, his primary responsibility does not change regardless of the route finally chosen. His first thought and responsibility is still the preservation of that dollar capital and, if possible, the preservation of the purchasing power of that capital. This is the basic task with which he has been charged.

For many years the theory of dollar capital preservation was paramount with the trustees of pension funds. For this reason, most funds turned to insurance companies, who, for a scheduled premium payment, guaranteed the fixed-dollar benefit. In the 1930's, the insurance companies held the bulk of pension fund reserves. This, however, has changed dramatically during the past 15 years. During the late 1940's, the trustees of many funds became aware that the self-insured method of funding was considerably more attractive than that of purchasing annuities in one form or another. The reasons for this shift were manifold. For one thing, the acceptance by the courts of the theory of preservation of wealth (purchasing power) opened the doors to new types of investment. This factor, combined with the continuation of inflation and the rise in the market values of common stocks, gave impetus to the acceptance of equity investment. Other reasons that contributed to the change included the fact that life insurance companies were taxed on their earnings; whereas the pension fund was a tax-free institution; non-insured funds had greater flexibility concerning contributions and the like; and, in many cases it could be proved that the self-insured fund was less expensive than the insured fund.

The end result of these trends has been an explosive growth in the assets of the self-insured funds. By the end of 1960, 62.0% of total pension fund assets was self-insured compared to 38.0% administered by the insurance companies.

There is little question in my mind that this change in philosophy was "prudent" when it was undertaken in the late 1940's and 1950's. We shall discuss this at greater length later. However, it

is worth repeating that this change was a direct result of the acceptance of the theory that "prudence" consisted not only of the preservation of dollar capital but also the preservation of the purchasing power of that capital. The switch to investment in common stocks was a partial recognition of this theory and has, for the most part, proven successful to date.

The Investment Problem for the Prudent Trustee

Few investment professionals would question the theory that an investment policy must be flexible. A specific approach is valid until (1) either the outlook for the economy or the condition of the securities markets change in such a way as to modify the original investment policy or (2) the specific needs of the fund change sufficiently to require a different policy.

The primary task for the trustee of a pension fund is to undertake an investment program which will preserve both capital and purchasing power. The trustee or his professional advisor is charged with the problem of choosing the investment route which will satisfy these needs most satisfactorily. The solution must be based upon current considerations, in light of historical patterns.

All investors should recognize any investment entails the acceptance of some degree of risk. There is no such thing as a riskless investment, including the retention of cash (the ownership of cash during the past 20 years certainly did not preserve purchasing power even though it preserved capital). For this reason, all investment programs entail the measurement and balance of risk exposure. The more capital is exposed to risk, the greater should be the rewards to the investor. There is nothing new in this theory. It only makes financial sense to expect a higher rate of return from an investment which exposes the investor to a greater degree of risk than from some other type of investment, available at the same time, but whose exposure to risk is less. For this reason, common stocks historically yielded more than corporate bonds and corporate bonds have yielded more than government bonds.

Therefore, in order to answer our question, "What is a prudent investment for a pension fund?" and simultaneously, give recognition to the ever-changing climate of investment markets, I think that it would be fair to divide our question as follows:

- (1) What can be considered a prudent investment for a pension fund on a long-term basis?
- (2) What can be considered a prudent investment for a pension fund at the present time?

Since we are now concerned with investment in light of that which we have discovered can be considered prudent, there are additional characteristics of a pension fund that bear importantly upon investment matters. Specifically, a pension fund is tax-exempt; it has a long period of accumulation and distribution of funds; inflow of money may exceed outflow for many years to come; it is not subject to substantial hazard; and, there are no legislative investment restrictions governing the selection of securities other than those that might have been voluntarily included in the trust instrument.

The Earnings Factor

In addition, all pension funds have calculated into their basic

structure an earnings factor, typically called the actuarial assumption on interest earnings. This figure is arrived at by the fund's actuary when he calculates the cost of the fund. It usually represents a conservative estimate of long-term return and is a minimum earnings objective for the fund. However, if the earnings experience exceeds the actuarial assumption, the benefit to the fund can be considerable. Suppose that the actuarial assumption required for a particular fund is 3%. If, over a period of time, the overall yield on that fund is 4%, 1% in excess of the actuarial assumption, then in 25 years the fund will have earned sufficient excess funds to provide either a 25% increase in benefits or a 20% savings in costs or some combination of the two.

Before attempting to answer the questions posed previously, we should recognize that any discussion such as this must be essentially general regarding the peculiar requirements of an individual fund. No two funds are exactly alike. Each fund deserves individual attention to its problems so that a suitable investment policy can be formed. Our task today is to discuss the general investment problems of this type of fund and to attempt to arrive at an investment philosophy which most closely satisfies the question of prudence. What we discover can be applied to a specific fund and its particular investment portfolio.

The Long-Term Solution

The self-insured fund has available two types of investment; fixed-income securities such as bonds and mortgages and variable-income securities such as common stocks and real estate. Studies based upon statistics collected and collated from 1879 through the present show that the average yield on representative fixed-income securities has been 4.32% per year. For the same period of time, a broad cross-section of common stocks has shown an annual return of 8.12%, including both dividend earnings and appreciation in the price of the stock. Of this, 4.91% came from dividend income and 3.21% from appreciation.

In recognition of these long-term trends, the investment solution has been the substantial increase in the ownership of common stocks by pension funds. In addition, to the long-term advantage in return over other types of investment which was mentioned previously, the process of investing in common stock was supported by studies which led to the conclusion that, over a long period of time, this type of investment tended to compensate for the steady depreciation in the purchasing power of the dollar. Inflation has accounted for an approximate 2% per year depreciation in the purchasing power of the dollar since the turn of the century, whereas, common stocks have appreciated 3.21% per annum for the same period of time. It is important to recognize that neither inflation nor the rise in the prices of common stocks proceed at the same rate in any given period of time. These patterns are only valuable if viewed as an extremely long-term measurement. There have been periods in our history when there was no inflation and the prices of stocks rose and vice versa.

Equity Holdings Increased

Because of all these various factors, the percentage of common stocks owned by the funds increased rapidly. This was due not only to a greater allotment of the annual contributions invested in stocks but also due to the rise in common stock prices. During the late 1940's and early 1950's when the common stock philosophy first came to the fore,

Moody's Corporate bonds were yielding approximately 3%-3½%, whereas, at the same time Moody's 125 Industrial common stocks were yielding between 4% and 7%. Obviously, the attraction of high-grade commons plus the potential capital appreciation possibilities made this type of investment a logical vehicle for the trustees of a self-insured fund.

The end result has been that by 1960 all corporate pension funds showed 43.6% invested in common stocks at market value, compared with 33.1% at book or cost, the 10.2 point differential resulting from the appreciation in prices. Numerous examples of the acceptance of this long-term philosophy can be mentioned. In general, though, it should be sufficient to note that in 1951 only 21.6% of pension fund receipts was invested in common stocks. This rose to approximately 50% by the end of 1960.

This increased reliance upon common stock investment has proven quite successful to date. Even now, any truly long-term extrapolation of historical statistics would continue to favor stock investment for a pension fund. Therefore, in answer to our first question, "What can be considered prudent pension investment for the long-term?", the answer remains in favor of a substantial commitment in common stocks.

However, we must not allow ourselves to be so blinded by history that we stumble over the immediate future. No investment policy can be pursued successfully if it does not consider tomorrow even if its eye is upon the future. A man looking through a pair of binoculars may be able to view a distant object clearly, but if he should take a step while looking at that object and not look down, he could break his neck. A pension fund has much the same problem. Money must be invested continuously, each investment another immediate step. So, perhaps, the time has come for us to look at the ground directly beneath us.

Present Investment Conditions

Most investment professionals will agree, I believe, that the long-term future for our economy is bright barring the incidence of a major catastrophe. It is upon this forecast that a long-term investment in common stock is predicated. Personally, I do not take issue with these predictions though I must confess that I am not as optimistic as many others. What I would like to investigate, however, is the current relative value of the different types of securities usually purchased by pension funds. This investigation would be pursued in light of past performance, future potentials, and securities which conform most closely to the dictates of prudence within this framework.

This is not to be an essay in market timing nor will I attempt to guess the future short-term course of market prices. Rather, this is an evaluation of the present opportunities in investment with some judgment as to which type or types of securities are now most attractive for a pension fund.

The stock market reached an all time high a few weeks ago. Likewise, the evaluation of earnings in relationship to the price of the stock (price times earnings ratio) has approached historical highs. Conversely, as prices have gone up, current yields have dropped so that at the present time they average less than 3% on a broad cross-section of common stocks.

Only four times in the last 80 years have common stock yields been so low (in 1899, in 1933, in 1936, and in July and August 1959). More significant, perhaps, is the fact that since 1880 common stock yields have averaged 3.2% only 13 times. In each in-

stance, stock prices have turned downward not more than 13 months later. The decrease in prices ranged from 16% to 90%; there were 25% to 50% declines in nine of the 13 instances. This relationship between stock price peaks and unusually low dividend yields has appeared regardless of the business cycle or of circumstances such as war, peace, speculative enthusiasm, monetary stringency or ease, etc., and regardless of the trend of dividend payments.

3% Versus 4.91%

This current yield of less than 3% must be considered in light of the long-term yield on common stocks of 4.91%. Our acceptance of this yield indicates that we are willing to pay a premium for our common stocks of 38.9% above the historical values.

Representative bonds, on the other hand, are currently priced to provide a yield somewhat in excess of the 4.32% average on a long-term basis. Presently, Moody's AAA Industrials yield to maturity 4.30% and newly issued corporate bonds provide yields of 4.55% to 5.00% depending upon maturity, quality, and the like. Furthermore, it should be recognized that even though the long-term average yield for bonds is 4.32%, there have been periods in our history for as long as 20 years when bond yields never climbed above 4.00%.

Mortgages Attractive

Up to this point, we have not discussed mortgages as a form of investment for pension funds since at the present time they only account for a very small percentage of total pension fund assets. However, interest in mortgage investment is growing rapidly and, in my opinion, rightly so. An investment in mortgages makes a great deal of financial sense for the typical pension fund if they are purchased in proper relationship to the other securities in the fund's portfolio. Skipping the factors of social usefulness and other non-investment considerations, mortgages currently provide an attractive rate of return. For example, a government insured mortgage, net after servicing charges, is priced to provide a yield to maturity of approximately 5% or better depending upon location of the underlying property and the like.

This review of current conditions certainly indicates that, on a basis of history, bonds now provide a rate of return somewhat better than the long-term averages, whereas common stocks are so priced as to provide a current rate of return substantially below the long-term average. Plain common sense dictates that we look a lot closer at our common stock investments since this warning cannot be ignored. Furthermore, any trustee charged with prudence must consider the factor of relative risk. Since his investment choices include securities of varying degrees of risk, he should view with a cold eye those whose purchase involves more risk than those in which his dollar capital is relatively safe.

As pointed out previously the long-term rate of return for common stocks has averaged 8.12% per year. This is the result of both dividends and price appreciation to which a pension fund draws no distinction because of its tax-exemption. Since our current yield on stocks is approximately 3%, this would indicate that we are looking for an additional 5.12% per annum, either from increased dividends or price appreciation, to remain abreast of the long-term average. Where will this come from, if it is at all available?

Earnings Crucial Factor

Equity investment is based upon the theory that as a company prospers, so will its stockholders. This will be the result

of both increased dividends paid to the stockholder plus appreciation in the price of the stock. For this reason, one of the most important methods of evaluating a particular company's past record is a study of growth or lack of growth in earnings per share. Furthermore, earnings per share are of utmost importance to the stockholder since it is out of earnings that dividends are paid and it is partially out of earnings that a company will finance its future expansion.

We all realize that there are other factors which affect the price of a stock such as public psychology. But, in the long run, either a company prospers and earns more money for its stockholders or it does not. Since the typical pension fund is a long-term investor and should be concerned with long-term value, this investigation of earnings is of great importance.

If we buy a stock today which yields but 3% and our reason for the purchase of any common stock is predicated upon the long-term efficacy of this form of investment, then we would need an additional 5.12% to keep us even with the average. Since this 5% plus will be a direct result, over the years, of earnings per share, does the specific investment being considered show this type of annual increase for a representative period of time? If it does not and there are no extenuating circumstances, why should it be purchased at all? Let's look at some typical pension fund stock investments and see how they compare with this yardstick.

Looking Backward

In 1954 the New York State Banking Department compiled a study of pension funds managed by the major New York City banks on a discretionary basis. At that time, a list was provided of the 10 stocks which were then the favorites of the pension trust departments. I realize, of course, that some of these companies may no longer be in favor with the pension trust departments of those banks and that others may have been added. However, of these 10 stocks seven appeared in the Fall, 1961 edition of "The Favorite 50" indicating that these stocks are still very much in favor with certain segments of the investment community. Each one of these 10 companies has been measured in a way to provide:

- (1) The compound annual rate of increase or decrease in earnings per share.
- (2) The compound annual rate of increase or decrease in market price per share.

Since the end of World War II, no period of time has been what we could fairly title as "typical." Certainly, our present semi-peace, semi-war economy is not typical. Therefore, I have selected two post-war periods of time for this study: 1951-1960 and 1957-1961 inclusive, (earnings for 1961 are estimated). This dual view should present a fair or at least representative picture of the earnings trends of these companies.

Record Is Illuminating

The accompanying table provides some illuminating facts. For example during the 10-year period, 1951-1960, The Standard & Poor's Composite Index showed an annual rate of increase in earnings per share of 1.5% and an annual rate of increase in the market value of the index of 11.8%. During the latter five-year period, 1957-1961, earnings remained unchanged, whereas market prices went up 6.3%. The figures speak for themselves and are hardly conducive to comfort regarding current market values. Another way of looking at what has happened to the prices of stocks is that they have risen 45% since 1955 when their profits reached an all-time high, a point to which we have not as yet returned. Will corporate earnings justify the faith of the investing public? Perhaps, they will. The point is that the current market is discounting a good portion of the immediate future. They do not represent outstanding values in anyone's book.

The table also lists the current return on these 10 companies plus an indication of the rate of growth necessary in earnings per share to justify investment on a historical basis. What we have calculated is the direct result of subtracting current yield from our long-term objective and arriving at a figure which represents the necessary minimum growth in earnings per share in order for that investment to come up to par with the average. Suppose we purchase General Electric with a current yield of 2.9%. This means that we would need an additional 5.22% per annum to achieve the historical standard. Does GE make it on the basis of earnings experience for the past 10 years. Earnings per share grew at a compounded rate of 1.0% and for the latter five-year period at a rate of 0.3%. This does not mean that GE cannot improve its earnings in the future but past facts indicate the necessity for closely scrutinizing the future prospects of the company.

On the five year basis, only two of these 10 companies would satisfy this requirement — IBM and American Telephone. On the basis of 10 years, three companies make the mark: IBM, Standard Oil of New Jersey, and Texaco. Note, however, that two of the three are international oil companies whose future prospects have dimmed somewhat in recent years. Since the results of this study speak for themselves I do not wish to belabor that which can be reviewed at leisure. Certainly, it is reasonable to conclude that the prospects of most of these 10 companies are something less than inspiring.

Selectivity vs. Averages

Of necessity, our discussions have concerned themselves thus far with averages. This makes no allowance for better-than-average selectivity of individual investment commitments. There is no substitute for selection since it

should be apparent that all individual investments either are better or worse than the arithmetic average. Investment is not now nor ever has been an absolute science based upon some mathematic formula. Many intangibles come to play in the selection of a security such as an evaluation of the capabilities of management. Therefore, this factor of selectivity is of major importance. Whether a fund's investment performance will better the averages will depend directly upon the sagacity of the investment policies and investment selection of that fund. This is not predictable. Therefore, we must concern ourselves with the guideposts of the averages. For this reason, the recommendations which follow must be viewed as a flexible framework within which specific judgments are to be made. There is no one answer which will satisfactorily answer the needs and problems of all pension funds. If there were, it would have been discovered long ago.

An Investment Policy for Today

If an investment policy is to be successful over a long period of time, it must dodge the rigidity of a fixed formula which is applied regardless of current conditions. That which was applicable in the past, may no longer be valid or justified. That which is applicable today, may be discarded in the future not because of a lack of success but because of a fundamental change in those conditions governing the investment policies of a fund. What we must do is evaluate the present in terms of the fund and weigh the alternative investment routes in order to ascertain that which is justifiable for a prudent trustee. The past is a guide, the future is unpredictable. But we are able to evaluate the present.

As mentioned at some length previously, it is the responsibility of a trustee to select his investments in order to protect the dollar capital of the fund and, hopefully, preserve its purchasing power with a minimum of risk. His choice of investments is as broad today as it was in years past. Only the relative positions and values of these securities have changed with the years. Under present conditions, bonds provide a higher yield. Simultaneously, we are all in accord with the idea that, as far as safety of principal is concerned, bonds are a better protection than common stocks. What is prudent today? I think that it is clear that greater emphasis should be given to bond and mortgage investment than in the recent past. If the yield relationships should return to their normal pattern, then the prices of bonds will go up or stock prices will fall or some combination of the two. If on the other hand, history does not repeat itself and the future portends a continuance of higher than common stock yields for bonds, the typical pension fund with its cash flow can easily return to the purchase of common stocks.

The Case for Bonds

Since I do not believe that it is the province of a trustee to take unwarranted risk, then increasing the emphasis on bond investment in light of all the historical data available would appear to me to be exercising prudent judgment. Obviously, if there is a substantial justification of relative yields between bonds and stocks and we return to a more normal relationship, then another change in policy should be seriously considered.

A further refinement of this thinking would be that applied to the selection of individual stock investments. The best way to approach this problem is to consider for a moment something about the type of stock a fund should not purchase. Since the rationalization

of stock ownership for a pension fund is based upon long-term performance, it only makes sense that no commitment should be made in any security which does not equal the average. Certainly, there will be exceptions to the rule. In general, however, this long-term performance is as good a guide as any available and can be applied without too much difficulty.

I do not wish to lay down any hard and fast rule regarding what percentage should be invested in bonds and mortgages versus the percentage in common stocks, at the present time. This can only be judged on a fund by fund basis and depends directly upon its specific requirements. What is the current percentage diversification of assets between these types of securities? How long has it been investing its money? Whatever the specific answers happen to be and assuming they had been well conceived prior to this time, then I think that a more conservative attitude is warranted in light of present market conditions.

How prudent are your pension investments? The answer is twofold and predicated upon the recognition that prudence is primarily concerned with preservation — the preservation of dollar capital and the preservation of the purchasing power of that dollar capital. Furthermore, this preservation must be accomplished with a minimum acceptance of risk by the prudent trustee.

On a long-term basis, a substantial reliance upon common stocks apparently satisfies the definition of prudence as well as taking advantage of undeniable long-term trends. As far as current policies are concerned, I believe that prudence would dictate some deviation from the long-term solution, namely, more reliance upon bonds and mortgages.

I have attempted to place the investment problem within the framework of current conditions. Surely changes can and will take place in the future and when they happen our investment programs will change in order to take full advantage of the new conditions. The point to remember is that security markets are hardly static and it is both prudent and sage to seize attractive opportunities when they exist. Any unquestioning reliance upon a fixed formula can lead to disaster.

Prudent investment can be achieved if the trustees are willing to consider objectively the investment alternatives, selecting that medium which will provide the necessary preservation with the least amount of risk under current market conditions. This measurement is not necessarily difficult. It only needs to be done.

*An address by Mr. Heimann before the National Conference of Health, Welfare & Pension Funds, Philadelphia, Pa., Oct. 3, 1961.

Riecke Adds to Staff

PHILADELPHIA, Pa.—H. A. Riecke & Co., Incorporated, members of the New York Stock Exchange and other leading exchanges, announce that Bernard A. Bradley, John T. Lawler and John A. Mahaney, Jr. have become associated with them as registered representatives in their Philadelphia office, 1433 Walnut Street.

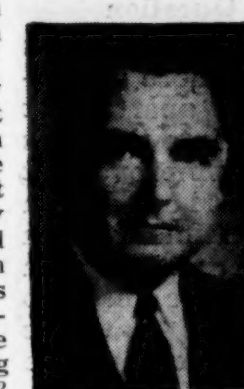
The firm also announced that Richard L. Goldstein has become associated with them as a registered representative in their office in New York City, 50 Broadway.

Dow Securities Corp. Opens

Dow Securities Corporation is engaging in a securities business from offices at 60 East 42nd St., New York City. Officers are Harold B. Dow, President; Jack J. Arnold, Secretary-Treasurer; and M. C. Sullivan, Vice-President.

N.Y. Clearing House Elects

At the 108th Annual Meeting of The New York Clearing House Association, Harold H. Helm, Chairman, Chemical Bank New



Harold H. Helm

York Trust Company, was elected President of the Association.

George A. Murphy, Chairman of the Board, Irving Trust Company, was elected Chairman of the Clearing House Committee.

The Committee members elected to hold office during the next fiscal year were as follows:

Clearing House Committee: George A. Murphy, Chairman of the Board, Irving Trust Co.; James S. Rockefeller, Chairman, The First National City Bank of New York; George Champion, Chairman Board of Directors, The Chase Manhattan Bank; Charles J. Stewart, Chairman of the Board, Manufacturers Hanover Trust Co., and Hoyt Ammidon, President, United States Trust Co. of New York.

Nominating Committee: Albert C. Simmonds, Jr., Chairman of the Board, The Bank of New York; George S. Moore, President, The First National City Bank of New York; Robert E. McNeill, Jr., President, Manufacturers Hanover Trust Co.; Dale E. Sharp, President, Morgan Guaranty Trust Co. of New York, and William H. Moore, Chairman of the Board, Bankers Trust Co.

According to the operational report issued by Paul R. Fitchen, Executive Vice-President, the New York Clearing House handled a new record of \$802 billion of clearings for the past fiscal year, an increase of \$79 billion over the previous year.

The average daily clearings amounted to \$3,221,000,000, which is also a new record. The record for a single day's clearings was set on Jan. 3 when a total of \$5,552,000,000 was cleared.

The New York Clearing House Association consists of 11 member banks having 507 branches in addition to the Federal Reserve Bank of New York and 8 clearing nonmembers.

Datom Industries Common Offered

Public offering of 102,000 common shares of Datom Industries, Inc., at \$4 per share is being made by Robert L. Ferman & Co., Inc., of Miami, Fla., and New York City.

Net proceeds from the sale will be used by the company for working capital and general corporate purposes including the addition of skilled personnel; leasehold improvements; purchase of equipment, tools and machinery; build-up of inventories; and new product development.

The company, headquartered in Orange, N. J., engineers, designs and manufactures such electric and electrical products as transistorized and conventional tube radios and portable phonographs. It also markets a transistor radio kit for use in schools. Datom has approximately 500 customers who sell the products at retail to the ultimate consumer through leading drug, department, chain and variety stores.

Compound Annual Rate of Increase or Decrease in Earnings Per Share and Mean Market Price

	1951 - 1960		1957 - 1961 (a)		Annual Inc. in EPS Required to Equal Hist. Ave.
	Comp. Ann. Rate of Inc. or (Dec.)	Earnings Per Sh. Mkt. Price	Comp. Ann. Rate of Inc. or (Dec.)	Earnings Per Sh. Mkt. Price	
American Tel. & Tel.*	3.0	6.3	6.5	14.7	3.0
General Electric*	1.0	18.7	0.3	2.8	2.9
General Motors*	0.7	12.5	(1.5)	0.1	4.4
IBM*	15.9	27.2	20.2	39.9	0.5
International Paper*	(3.4)	10.8	(6.3)	(3.8)	2.9
J. C. Penney	0.0	7.0	1.1	7.9	3.1
Socony Mobil	1.6	8.7	(5.7)	(5.4)	4.5
Standard Oil, N. J.*	3.5	12.9	(4.3)	(4.2)	5.1
Texaco*	8.9	15.8	4.6	10.7	2.9
Westinghouse	(1.9)	13.0	(b)	9.0	2.8
Dow Jones Industrials	0.5	11.2	(1.1)	6.3	2.8
Standard & Poor's Corp. 500	1.5	11.8	0.0	6.3	2.9

(a) Estimated 1961 earnings.

(b) Earnings for 1956 (base year) distorted due to strike; reported \$0.05 per share.

* One of Vicker's Favorite 50 for Investment Companies, Fall 1961.

AS WE SEE IT

Continued from page 1

sideration. We have no reason to differ with these conclusions, and are quite content to let the matter stand at that.

Another Question

What we earnestly wish is that there were more disposition in official quarters at least to inquire into the basis for continued improvement without inflation over a longer period of time. It often appears to us that we as a people have become so obsessed with the "business cycle" and its jargon that we all too often forget the requirements of long-sustained good times, notwithstanding the constant talk in official circles about the growth rate. Recessions and depressions—and any other sort of reverse—are supposed to generate their own cure, or so we used to think, by removing at least some of the causes that produced them. Whether or not any recovery that sets in is likely to endure without unfortunate side effects turns, or is likely to turn, on what we have permitted hard times, or less prosperous times, to do to remove basic difficulties. The question that naturally arises at this time is this: Is there good reason to believe that we are in better position now to move ahead than we were when the recent recession began or when other recent recessions terminated. In other words, are we laying, or have we been laying, a sure foundation for sound and reasonably secure economic progress in the future?

Merely to ask such a question brings to mind a number of current public policies which we are neglecting and apparently intend largely to neglect in the future—some issues which simply must have constructive attention if we are to bring into existence the conditions which render consistent economic progress possible in the future. One of these, of course, is the matter of needless government expenditures. Requirements of defense may necessitate larger outlays in various directions. There is doubtless waste and extravagance in our procurement, and it may be that there are outlays now undertaken in the name of defense which are quite indefensible in the current circumstances. Russia's dramatic—and, so it seems to us, rather senseless space exploits are without question having their effect upon official thinking. But it is in categories that are not even claimed to be necessary for adequate defense that opportunity—nay, demand—for more prudence is all too obvious and pressing. There has, of course, been no inadequacy in the growth rate of this

type of public expenditures. We simply must not keep deferring action in this matter. And it must be said in all frankness that there is little or no evident disposition on the part of the present Administration to get down to work on it.

Give Us Tax Reform

Another issue badly in need of attention, which it is not getting, is taxation. There was at the beginning of the Administration some vague talk about tax reform, but evidence of any real intention to do anything of consequence about it is sadly lacking. There has been some talk about plugging up loopholes—as if further squeeze upon those who might take the initiative and have the energy to go ahead in productive effort were required or desirable! What is required is a major modification in the extremely progressive rate of income taxes. We need to divert the energy and resourcefulness now devoted to tax avoidance, not into further contributions to the Treasury, but into progress in the production of goods and services for the people, and into the provisions of capital for that purpose. We now have in effect rates that were war born—and we might add New Deal born. We simply can not afford to permit them to endure. With adequate reduction in nondefense expenditures by the Federal Government there need be no worry about the adequacy of Treasury receipts in the wake of such reform. Indeed, it may well be that there is in any event no cause for worry on that score.

Another vital matter that stands just where it did when the recent recession ended—or began for that matter, and for a good while before that—is the evil consequences of the total lack of competition in the field of wages (as well as work restrictions). We like to talk about this as the wage-push inflationary factor. Of course it has driven costs of producing goods and services up remorselessly for several decades—and that despite all owners have been able to do in the way of modernization. There is evidence of some concern about this matter in Washington, but if the authorities intend to do any more than issue "warnings" to the unions on occasion, there is no evidence of it. Lack of competition in the field of labor is precisely as harmful as in any other area.

Joins Jamieson Co.

EAU-CLAIRE, Wis.—Ben M. Sirianni, Jr. has joined the staff of Jamieson & Company, 204 South Barstow Street, as a registered representative. He was formerly with Paine, Webber, Jackson & Curtis.

Rothschild Joins Reynolds & Co.

SACRAMENTO, Calif.—Rene L. Rothschild, former investment officer for the State of California, has joined the Sacramento office



Rene L. Rothschild

of Reynolds & Co., 919 Tenth Street, as resident manager, James L. Murphy, West Coast resident managing partner of the nationwide investment brokerage firm, has announced.

Mr. Rothschild began his career in the investment field at Anglo London Paris National Bank (now Crocker-Anglo National Bank). After a variety of security activities he became manager of the bank's investment analysis department and member of the trust investment committee, supervising hundreds of trusts.

In 1940 he was named to the newly created position of investment officer, State of California, in Sacramento. The state's portfolio then aggregated \$50 million State Retirement Systems. By mid-1961 it had mushroomed to over \$2 billion.

Mr. Rothschild also supervised many other state funds averaging in excess of half a billion dollars annually and embracing all types of securities.

Geriatric Services Common Offered

Geriatric Services, Inc., 1261 Blue Hill Ave., Boston, Mass., is offering publicly, without underwriting, 75,000 shares of its common stock at \$4 per share. Proceeds will be used to modernize and improve its various nursing homes, repay debt and increase working capital.

The company owns the land and most of the personal property of 14 nursing homes operated by affiliated corporations. Thirteen of these homes are located within the State of Massachusetts and the fourteenth at Chicago, Ill. Authorized stock consists of 200,000 5½% preferred and 3,000,000 common shares, of which 22,500 and 441,000 shares respectively, will be outstanding upon completion of this financing.

Urethane Ind. Stock Offered

Public offering of 200,000 common shares of Urethane Industries International, Inc., at \$5 per share is being made by Garant & Polonitz, Inc., Los Angeles; Fleetwood Securities Corp. of America and Lubetkin, Regan & Kennedy, New York City. Proceeds will be used by the company to install two rigid foam lines, enlarge inventory, repay debt, purchase additional equipment and increase working capital.

The company of 4542 East Dunham St., City of Commerce, Calif., is engaged in the manufacture, converting and distribution of urethane foam products to industry, which products are sold under the trade names "Shelley Foam," "Midform" and "Sat-A-Lyte."

Named Director

Ralph E. Carpenter, a general partner in the New York brokerage firm of Reynolds & Co. has been named to the board of directors of Alside, Inc., manufacturer of aluminum siding.

NSTA



NOTES

SECURITY TRADERS CLUB OF ST. LOUIS

The Security Traders Club of St. Louis will hold its annual meeting and election on Oct. 31. The Nominating Committee, composed of Ralph Deppe, Edward D. Jones & Co., John Matye, Dempsey-Tegeler & Co., Inc., and Edward A. White, White & Company, Inc., has submitted the following slate:



Eugene T. Burns

Persident: Eugene T. Burns, Fusz-Schmelzle & Co., Inc.

First Vice-President: Kenneth Whitehead, I. M. Simon & Co.

Second Vice-President: R. Charles Goodwin, Goldman, Sachs & Co.

Third Vice-President: W. Jack Wichmann, Stifel, Nicolaus & Company, Incorporated.

Secretary: Darryl L. Pope, Edward D. Jones & Co.
Treasurer: Joseph Polette, White & Company, Inc.



K. J. Whitehead

NEW ORLEANS SECURITY TRADERS ASSOCIATION

The New Orleans Security Traders Association have elected the following officers for 1961-1962:

President: Joseph E. Joyner, Howard, Weil, Labouisse, Friedrichs and Company.

Vice-President: Ronald J. Levy, Abrams & Co., Inc.

Secretary-Treasurer: John D. Lane, Howard, Weil, Labouisse, Friedrichs and Company.



Joseph E. Joyner



Ronald J. Levy

INVESTMENT TRADERS ASSOCIATION OF PHILADELPHIA

John E. Knob of Drexel & Company was elected President of the Investment Traders Association of Philadelphia at the Annual Meeting on Thursday, Sept. 28 at the Barclay Hotel.



John E. Knob



Jack Christian



Wm. R. Radetzky



H. E. Beattie, Jr.



Harry F. Green, Jr.

Jack Christian of Janney, Battles & E. W. Clark, Inc., and William R. Radetzky of the New York Hanseatic Corporation were elected First and Second Vice-Presidents respectively. Herbert E. Beattie, Jr. of H. A. Riecke & Co., Inc. was named Treasurer and Harry F. Green, Jr. of Merrill Lynch, Pierce, Fenner and Smith Inc. became Secretary.

Estate Fund Mgmt.

SALT LAKE CITY, Utah—The Estate Fund Management Corporation is conducting a securities business from offices in the Utah Savings Building. Officers are Fred J. Bacon, Jr., President; D. Louis Broussard, First Vice-President; Jack E. Call Executive Vice-President; and Edwin A. Van Sickle, Secretary. All served in a

similar capacity with Mutual Fund Distributors Corp.

Connolly Secs. Opens

RICHMOND HILL, N. Y.—Connolly Securities Corp. has been formed with offices at 85-32 102nd Street to conduct a securities business. Officers are E. M. Connolly, President; and Harold T. Connolly, Secretary-Treasurer.

THE SECURITY I LIKE BEST . . .

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months the trading range has been narrow with a high of 10 3/4 and a low of 7 1/4. Market activity increases with price advances, another indication of its strong technical position. The stock is on the "buy" list of one or more of the leading market services.

The increasing earnings potential of Duplan Corporation stems from its major position in the dynamic and fast-growing "stretch" and "textured" yarn industry. Duplan supplies about 35% of the "textured" and other types of processed yarns to the knitting and weaving trades. Distribution is world-wide with agents on every continent. Duplan describes itself as the "world's largest throwster." The processing of the filament yarns for special purposes is loosely referred to as "throwing," a term that has been brought from its original meaning of "twisting" the yarn so many turns per inch. Duplan deals only with filament yarns, raw yarns already wound in threads on bobbins. Dupont and Chemstrand are the biggest producers of the yarn.

In processing yarn for use in hosiery mills, the throwster puts about 30 to 35 twists into the thread. After the yarn comes off the twisting machines it is still "lively" and likely to unravel. So the twist is "set" in steam boxes by use of moist heat. The thread is then subject to a sizing operation. The Hanes Hosiery Mills Company is believed to be Duplan's biggest single customer.

Stretch yarn is obtained by fluffing up the filaments and twisting the yarn on spindles, revolving at about 30,000 to 345,000 revolutions per minute. Another process will twist up to six yarns into one. Fashion designers believe stretch and textured fabrics will eventually make it possible to turn out a wide variety of clothing in three sizes—small, medium and large. Textured yarns feel like cotton and wool and retain the wash and wear qualities of nylon. Texturizing gives life to nylon. Clothes made of stretch and textured yarns fit and feel better to the wearer. Ban-Lon Lingerie, in the big tricot market, advertises the product thus:

"Durable resistant to piling and balling—kitten soft, yet dependably strong—controlled stretch that never restrains—subtle cling, perfect fit—mildew, moth, perspiration resistant—wrinkles smooth out quickly—washes easily, dries quickly, and wears beautifully."

Duplan is the only company which processes the seven most successful textured yarns and has license agreements covering production processes for Helanca, Flufon, and Superloft stretch yarns, and for Agilon, Banlon, Saeba, and Taslan textured yarns. The current average price of textured yarns is approximately \$2.80 per pound. Trade sources estimate a 2% improvement, or \$0.05 per pound, could result in a gain of pretax earnings per share for the Duplan stock of \$0.40. The current average price of \$2.60 per pound compares with an average level of \$3.85 in 1958. A return to this price level could provide a dramatic earnings increase for Duplan.

In order to utilize tax losses developed as the result of Duplan having liquidated its unprofitable weaving divisions four years ago, to permit specializing in textured yarns, and in order to diversify, two companies with proven stable earnings were acquired in 1959 for cash with a \$5.4 million term loan. This loan has been paid down to \$2.5 million as of October, 1960. K-D Lamp, founded in 1916, is regarded to be the largest independent manufacturer of lamps, signal lights, and accessories for automobiles, trucks, trailers, farm equipment and boats. "K-D Saffee" is a standard name

to truck drivers. The other acquired company, Automatic Burner, established in 1921, is considered the largest manufacturer of oil burner units, which are sold to manufacturers of heating systems. The Coleman Company is believed to be the largest customer of Automatic Burner.

Duplan's capitalization (as at Sept. 30, 1960) consisted of funded debt, \$5,625,000; common stock (\$1 par), 978,473 shares.

The financial position of Duplan is strong with working capital alone being \$7.80 per share as at Sept. 30, 1960 (latest available balance sheet). As a result of liquidating the weaving division, tax credits were made available. Of these credits \$1.95 million will expire this year but \$350,000 will remain to aid 1962-63 cash flow. When the current tax protection runs out during fiscal 1962, there still remains two excess weaving plants to be sold. The sale of these properties could create additional tax credits as well as strengthen the balance sheet by as much as an additional million dollars. Cash flow for fiscal 1960 amounted to \$2.15 per share.

It is very evident, in reading various periodicals, newspapers

and magazines, etc., that retail clothing manufacturers are heavily promoting stretch and textured materials in a wide variety of clothing for both sexes of all ages. Duplan's earnings have been penalized by the low prices prevailing for these yarns over the past several years. There are some indications that the delivery situation for the raw filament is tightening.

In these trying markets with the Dow Jones Industrial Averages at the 700 level, with but a handful of stocks making new highs and former glamour stocks down drastically, Duplan common at \$10 per share, is just fractionally under its 1961 high of 10 3/4. The general increasing demand for stretch products in a wide array of finished goods suggests continued firming in textured yarn prices. This trend could establish a level of earnings which would justify a move in the stock price to new high levels. Duplan at current levels of \$10 per share, with sound finances, substantial asset value, with the stock in strong hands, with good prospects for increasing earnings, has the necessary elements for making it the stock I like best.

Recent Financial Growth Of Canadian Institutions

Continued from page 14

this type of loan. Small business loans are of three kinds: those on fixed equipment such as show-cases and counters; on movable equipment such as office machinery or machinery for certain special types of service; and for alteration or improvement of premises. The loan may be for 80% of the cost in the case of equipment and 90% of the cost of the work in the case of alterations or improvements to premises. Loans for use as working capital are not made under the Act. The maximum amount of the loan is \$25,000, and the lending bank takes security on the equipment or property as well as a promissory note for the full amount of the loan.

After a rather slow start in the first quarter of this year, when business as a whole was moving rather slowly, loans under the Act picked up perceptibly. At mid-year they totalled over \$10,000,000 and were being made at a rate which suggested an annual figure of close to \$100,000,000.

Farm Financing

There have also been developments in agricultural financing. The rapidly changing character of agriculture from small family holdings to operations which are steadily expanding in size and complexity has been paralleled by similar developments at the financing and marketing levels.

The two main sources of farm credit are loans extended under the Farm Credit Act, which in 1959 replaced the Canadian Farm Loan Act of 1929, and Farm Improvement Loans Act, first operative in 1945 and subsequently renewed periodically.

The Farm Credit Act established the Farm Credit Corporation as an agent of the Crown to administer a system of long-term mortgage credit. The Corporation has much broader lending powers than those under the previous Act, which were limited to 65% of the appraised value of the farm, not exceeding \$15,000, repayable over 30 years. The Farm Credit Corporation may now lend up to 75% of the appraised value, not exceeding \$30,000, repayable within 30 years, but it may also

make loans to young farmers aged 21-44, with five years' practical experience in farming, to enable them to become established on economic farm units. These loans are based on first mortgage security and when necessary on the security of livestock and farm equipment. Such loans are additionally secured by life insurance, and the borrower's farming operations are subject to supervision by the Corporation in the early years of the loan. The interest rate on all loans is fixed at 5%. The Corporation's funds are borrowed at current interest rates from the Minister of Finance. Mortgage funds made available by the Corporation and by its predecessor, the Canadian Farm Loan Board have increased sharply in recent years. Fiscal 1960 saw an increase of nearly a third and 1961 one of 50%.

The Farm Improvement Loans Act was originally for a period of three years (1945-48) and it has been extended usually for three-year periods, up to the present. These loans, made through the chartered banks and guaranteed by the government up to 90% of total loans made by the lending bank, cover a variety of projects connected with agriculture. The scope of Farm Improvement Loans has been expanded, the most recent amendment to the Act providing for an increase in the maximum loan from \$5,000 to \$7,500, while the available aggregate has been raised by \$100,000,000 to \$490,000,000.

Since its inception about 900,000 farmers have taken advantage of Farm Improvement Loans to a total value of well over a billion dollars, the largest proportion being for the purchase of agricultural implements, with purchase of livestock and other farm development and improvement projects accounting for the balance. Last year total loans made amounted to over \$100,000,000, with individual loans averaging about \$1,500.

Financial assistance by the government has to a large extent been directed toward capital and, to a lesser degree, export goods rather than consumer needs, through the loans under the National Housing Act and the Home

Improvement Loans Act are of course in the latter category.

Consumer Credit

Consumers, however, have not lacked for credit for their legitimate needs, and the chartered banks are now by a considerable — and growing — margin the largest supplier of these funds. Personal loans, other than those fully secured and those made under the Home Improvement Loans Act, have increased more than three-fold since 1953, and within the past year they account for about 80% of the total increase in consumer credit outstanding by a selected group of lenders which includes also the sales finance and small loan companies and department, furniture and appliance stores.

The introduction in 1954 of day-to-day loans was an important development affecting both banking practice and the money market in Canada. These loans are made by the chartered banks against treasury bills and Government of Canada bonds maturing within three years. Borrowers are those bond dealers who are prepared to act as jobbers in the short-term market and who have entered into purchase and resale arrangements with the Bank of Canada. Day-to-day loans may be called at any time, and the willingness of the Bank of Canada to purchase securities under resale agreements provides assurance of liquidity.

In addition to their function as a source of funds to finance dealers' inventories of short-term government securities, these loans provide a ready means by which the banks may adjust their cash reserve position. A bank wishing to replenish its reserves may call the required part of its day-to-day loans and present the borrower's check through the Clearing House for credit to its account with the Bank of Canada.

When the day-to-day rate is below the bank rate, which it normally is, the borrower whose loan is being called tends to obtain the required funds from a chartered bank which has surplus cash rather than from the Bank of Canada. If the borrower cannot obtain a day-to-day loan from another bank but obtains one from the Bank of Canada, the immediate effect is to increase the total cash reserves in the system as the calling bank receives an addition to its cash without a corresponding decrease in any other bank's cash.

As is to be expected, the level of day-to-day loans varies quite widely from day-to-day and from month-to-month, but as a medium of finance and a means of expediting and facilitating certain financial arrangements, these loans are regarded as a useful and efficient instrument.

Growth in Term Savings

In addition to the increase in savings deposits other forms of savings have shown similar growth of trusted pension plans assets of the life insurance companies for instance have increased at a comparable rate, and the growth of trusted pension plans have been quite spectacular, the total assets of 986 such plans in 1959 amounting to well over \$3,000,000,000 while the number of non-retired employees covered was close to 1,000,000. Large term saving in these forms has been — and continues to be — a primary source of capital formation in Canada as elsewhere.

Unlike commercial banks in the United States and United Kingdom, the Canadian chartered banks do not act as trustees. The rate of growth of the trust companies over the past ten years has been very impressive as the need for their services grew in a community which has become increasingly sophisticated financially and increasingly aware of

the quality of the services which the trust companies offered. The assets of the 17 largest companies representing 94% of all those registered tripled between the years 1951 and 1960, their deposits rose over 150%, and their administered funds doubled. As the trust companies are engaging to an increasing extent in the banking business some of the banks would no doubt like to have powers to enable them to engage in trust business.

A run-down of the developments in the world of finance in recent years, however brief, would be incomplete without mention of the giant strides made in the actual mechanics of handling the steadily increasing volume of transactions. Science has indeed been the hand-maiden of finance, and without the marvels of business machinery of one kind or another — the computers, check-sorting and handling machines, calculators, and all the automated means of recording and communicating — business would have become bogged down by its own sheer weight. Although the dispersal of branches of the chartered banks poses problems related to data processing for the most economical use of electronic computers, the time is not far distant when much of the bookkeeping of branches concentrated in metropolitan areas will be handled in this form. We ourselves after some years of study and experimentation have ordered two computers to be put into service in a widening application of this kind of equipment to our business.

In conclusion, I may say that, in line with the thoughts expressed in my address to our shareholders last year, I welcome the forthcoming Royal Commission on Banking, not because of any serious defects in the Canadian system, which has in the past worked efficiently and in the best interests of Canada as a whole, but because the mere passage of time and the changes which it has brought in both the international and domestic spheres make desirable a thorough and unhurried stock-taking of the whole financial structure. The chartered banks have always shown themselves ready to co-operate, both among themselves and with the government, when by so doing they could increase the efficiency with which the Canadian system operates, and the findings of the forthcoming Commission will, I am sure, be a helpful guide to future developments.

*An address by Mr. McKinnon before the 68th Fall Convention of the Savings Banks Association of New York State, Quebec City, Canada, Oct. 5, 1961.

Winrich Joins Schwabacher & Co.

SAN FRANCISCO, Calif.—Darrell J. Winrich has joined Schwabacher & Co., 100 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges, as Assistant Manager of the Research Department.

Mr. Winrich formerly was Assistant Vice-President and a member of the investment department of the Commonwealth Group of mutual funds. He joined Commonwealth in 1954 and was made a senior analyst in 1960.

Now Herman & Diamond

The firm name of Omega Securities Corp., 40 Exchange Place, New York City, has been changed to Herman & Diamond.

Now Brown & Co.

PEOENIX, Ariz. — Barbara C. Brown is now conducting her investment business under the firm name of Brown & Company with offices at 4747 North 16th Street.

STATE OF TRADE AND INDUSTRY

Continued from page 16

since one-third of the annual scrap crop is generated in the nation's industrial plants.

Many observers think prices will stay around present levels because increased needs will probably be met by hot metal from blast furnaces now idle. Some even think that prices could weaken if scrap exports continue to dip.

Scrap prices are leveling off after a jagged, nine-month climb to the highest monthly average in almost two years. The September average of Steel magazine's composite price on No. 1 heavy melting (the bellwether steelmaking grade) was \$39.75 a gross ton. Last week, the price composite was \$39.50, down 33 cents from the preceding week.

Many scrapmen think \$35 is the point at which it becomes more economical for steelmakers to use blast furnace hot metal in preference to purchased scrap.

Steel Production Data for the Week Ended Oct. 7

According to data compiled by the American Iron and Steel Institute, production for week ended Oct. 7, 1961 was 2,102,000 tons (*112.8%), 1.4% below the output of 2,131,000 tons (*114.4%) in the week ended Sept. 30.

Production this year through Oct. 7 amounted to 72,551,000 (*97.4%) or 10.8% below the period through Oct. 8, 1960.

The year to date production for 1960 through Oct. 8, 1960, 40 weeks was 81,323,000 tons or *109.1%.

The Institute concludes with Index of Ingot Production by Districts, for week ended Oct. 7, 1961, as follows:

	Index of Ingot Production for Week Ended Oct. 7, 1961
North East Coast	108
Buffalo	104
Pittsburgh	109
Youngstown	101
Cleveland	143
Detroit	123
Chicago	114
Cincinnati	124
St. Louis	119
Southern	106
Western	119
Total	112.8

* Index of production based on average weekly production for 1957-59.

Auto Strikes Knock Big Hole in Production Prospects

The producer's nationwide strike knocked a 30,000-unit hole in Ford Motor Co. auto output this week, dimming industry prospects for 657,800 car completions this month.

Ward's Automotive Reports attributed a 9.3% decline to 103,893 industry car assemblies this week from 114,551 last week to the Ford strike.

The statistical service estimated industry operations this week as follows:

	This Week	Last Week
General Motors	63,306	41,478
Ford	8,897	39,556
Chrysler	19,630	21,321
American Motors Corp.	9,500	9,278
Stu-Packard Corp.	2,560	2,918
Total	103,893	114,551

Ward's said Ford Motor Co. had built 180,511 new 1962 models by the start of this week's operations (vs. 190,520 GM Corp.), and is seeking upwards of a half million assemblies in its contribution to a near-record fourth quarter now mapped out by the industry.

With producers other than Ford operating steadily, this week's volume swelled to more than 600,000 the number of 1962 models produced by all makes since the run began in mid-August.

U. S. truck completions this week dropped to 18,576 from 24,292 last week, due to strikes at Ford and at Divco. In the same

week last year 17,936 trucks were built.

The labor contract at International Harvester expired Sept. 30, with the company continuing to produce trucks under a contract extension subject to 24-hour cancellation.

Business Failures Up for Week Ended Oct. 5

Commercial and industrial failures took an upturn to 330 in the week ended Oct. 5 from 286 in the preceding week, reports Dun & Bradstreet, Inc. However, casualties fell below last year's level of 343 for the comparable week, marking the fourth time in the last five weeks that year-to-year dips have prevailed. Nevertheless, tolls remained above the 1959 level of 274 and were 18% heavier than in the similar week of pre-war 1939 when casualties numbered 279.

Failures involving liabilities under \$100,000 climbed to 294 from 244 in the previous week but were slightly lower than last year when 297 of this size occurred. A contrasting decline among casualties in excess of \$100,000 pushed their toll down to 36 from 42 a week ago and 46 in 1960.

All industry and trade groups except service suffered more failures than last week. The sharpest upswings appeared in wholesaling, up to 51 from 29, and in retailing, up to 141 from 127. Slighter increases lifted the toll among manufacturers to 58 from 51 and among construction contractors to 46 from 44. Service casualties showed little change, dipping to 34 from 35. Fewer concerns failed than a year ago in retailing, construction and service, but both manufacturing and wholesaling mortality remained above 1960 levels.

Geographically, the week's rise was concentrated in five regions. It was particularly sharp in the Middle Atlantic States where the toll climbed to 123 from 96, in the East North Central States, up to 66 from 48, and in the Pacific up to 72 from 56. As well, tolls rose moderately in the West North Central and Mountain States and held even in New England. The week's only declines centered in the South Atlantic States, off to 28 from 39, and in the South Central States. Six of the nine major regions had fewer casualties, however, than last year. Increases from 1960 occurred only in the Middle and South Atlantic and East North Central Regions.

Canadian failures inched to 50 from 49 a week ago and 43 in the comparable week last year.

Electric Output 6.6% Higher Than in 1960 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Oct. 7, was estimated at 15,035,000,000 kwh., according to the Edison Electric Institute. Output was 305,000,000 kwh. below that of the previous week's total of 15,340,000,000 kwh. and 928,000,000 kwh., or 6.6% above that of the comparable 1960 week.

Lumber Shipments Were 4.1% Below Same Week in 1960

Lumber production in the United States in the week ended Sept. 30, totaled 227,920,000 board feet compared with 236,850,000 board feet in the prior week, according to reports from regional associations. A year ago the figure was 229,129,000 board feet.

Compared with 1960 levels, output dropped 0.5%, shipments declined 4.1% and orders were 0.2% lower.

Following are the figures in thousands of board feet for the weeks indicated:

	Sept. 30, 1961	Sept. 23, 1961	Oct. 1, 1960
Production	227,920	236,850	229,129
Shipments	227,848	227,966	237,701
Orders	220,051	226,762	220,439

Intercity Truck Tonnage 3.3% Ahead of Corresponding Week Last Year

Intercity truck tonnage in the week Sept. 30, was 3.3% ahead of the volume in the corresponding week of 1960, the American Trucking Associations, Inc. announced. Truck tonnage was 3.2% above that of the previous week of this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Department of Research and Transport Economics. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

The terminal survey for the last week showed increased tonnage from a year ago at 24 localities. Ten points reflected tonnage decreases from the 1960 level. Truck terminals at nine centers showed gains of 10% or more. Only Albuquerque and Portland, Ore. truck terminals reflected decreases of more than 10%.

Compared to the immediately preceding week, 28 reporting metropolitan areas registered increased tonnage while five areas reported decreases. One terminal city showed no change from the previous week.

Freightcar Loadings Were 5.4% Above Preceding Week

Loading of revenue freight in the week ended Sept. 30, totaled 638,268 cars, the Association of American Railroads announced. This was an increase of 32,426 cars or 5.4% above the preceding week.

The loadings represented an increase of 6,041 cars or 1% above the corresponding week in 1960, and an increase of 65,916 cars or 11.5% above the corresponding week in 1959 (during the steel strike).

Compared with the corresponding week in 1960 the Eastern, Allegheny, Pocahontas and Southern districts reported increases, while the three western districts reported decreases. Compared with the corresponding week in 1959, the Eastern, Allegheny, Pocahontas, Northwestern and Centralwestern districts reported increases while the Southern and Southwestern reported decreases.

There were 12,715 cars reported loaded with one or more revenue highway trailers or highway containers (piggyback) in the week ended Sept. 23, 1961 (which were included in that week's over-all total). This was an increase of 824 cars or 6.9% above the corresponding week of 1960 and an increase of 3,599 cars or 39.5% above the 1959 week.

Cumulative piggyback loadings for the first 38 weeks of 1961 totaled 419,558 for an increase of 16,920 cars or 4.2% above the corresponding period of 1960 and 119,748 cars or 39.9% above the corresponding period in 1959. There were 58 class I U. S. railroad systems originating this type traffic in the current week compared with 55 one year ago and 50 in the corresponding week in 1959.

Wholesale Commodity Price Index Above Prior Week and Year Ago

Although the general wholesale commodity price level slipped last week, it edged up Monday, Oct. 9, to 274.42, reports Dun & Bradstreet, Inc. The index was slightly above a week ago and continued considerably higher than on the corresponding date last year. Appreciably higher in price were wheat and corn, while mild advances were noted in oats, lard, sugar and cotton. On the other hand, a larger number of commodities were quoted lower but their declines were fractional except for a marked downturn in tin.

The Daily Wholesale Commodity Price Index inched to 274.42 (1930-32=100) on Monday, Oct. 9 from 274.31 on the com-

parable day last week and exceeded by a substantial margin the 266.55 last year.

Wholesale Food Price Index Holds Even With Prior Week

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., remained the same as in the prior week but dipped fractionally from a year ago for the third consecutive week. On Oct. 10, it held at \$5.99 same as last week, but dipped 0.7% from the \$6.03 of the corresponding date a year ago.

Moving noticeably higher in price this week were barley, lard and cocoa. However, these increases were offset by lower prices on flour, rye, hams, bellies, sugar, coffee, eggs, potatoes and steers.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Retail Purchases Continued Moderate Upturn

Consumers again stepped up their fall buying in the week ended Oct. 4, and pushed total retail volume moderately above its year-ago level. The best gains were registered in children's wear, appliances, and new passenger cars, while activity in furniture, men's clothing, and hardware was uneven, with some regions reporting marked declines.

The total dollar volume of retail trade in the week ended this Wednesday ranged from 1 to 5% higher than last year, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from comparable 1960 levels by the following percentages: Mountain -3 to +1; East South Central -2 to +2; New England and South Atlantic -1 to +3; Middle Atlantic, East North Central and West North Central +1 to +5; West South Central +2 to +6; Pacific +3 to +7.

Nationwide Department Store Sales Increased 5% Over the 1960 Week

Department stores sales on a country-wide basis as taken from the Federal Reserve Board's index advanced 5% for the week ended Sept. 30, 1961, compared with the like period last year. For the week ended Sept. 23, sales were 4% higher than last year. In the four-week period ended Sept. 30, 1961, sales advanced 2% over the corresponding period in 1960.

According to the Federal Reserve System, department store sales in New York City for the week ended Sept. 30 were 6% higher than the same period last year. In the preceding week ended Sept. 23, sales were 3% lower than the same period last year. For the four weeks ending Sept. 30, a 2% decrease was reported below the 1960 period, while from Jan. 1 to Sept. 30, a 1% increase over sales in the comparable period of 1960 was recorded.

Now Equity Programmers

The firm name of Protection Planners Corp., 92 Fulton Street, New York City, has been changed to Equity Programmers, Inc. Officers are Leonard Joss, President; Henry Caro, Vice-President; L. Joss, Treasurer; and S. Caro, Secretary.

G. B. Govits Opens

(Special to THE FINANCIAL CHRONICLE)

SAN JOSE, Calif.—Gus B. Govits is engaging in a securities business from offices at 918 North First Street under the firm name of Gus B. Govits & Co. He was formerly with Investment Planning Corporation.

White in United Hospital Drive

H. Spottswood White, Vice-President of Kuhn, Loeb & Company, has been named Vice-Chairman of the Hospital Trustees Division of the United Hospital Fund's annual appeal. Frederick D. Forsch, Chairman of the Division, has announced.



H. Spottswood White

Mr. White will assist Mr. Forsch in leading six-hundred volunteers in Manhattan and the Bronx in the appeal for the Hospital Trustees Division's quota of \$750,000. The campaign goal is \$3,000,000, and the money raised will be distributed among the 82 member voluntary hospitals for free and below cost patient care.

Millard Dir. of Canadian Javelin

The Board of Directors of Canadian Javelin Limited has elected Mark J. Millard, a partner in the New York investment banking firm of Carl M. Loeb, Rhoades & Co., as a director. Mr. Millard was designated to this position by Judge Henry Clay Greenberg of the New York Supreme Court, and approved by Joseph R. Smallwood, Prime Minister of Newfoundland, in accordance with the provisions of a proposed settlement of a stockholders' suit now before the Court. The settlement provides for the approval by the Court and by the Head of the Province of Newfoundland of three directors "each of whom shall be outstanding in his field, viz. a businessman, an engineer and a member of the New York Stock Exchange."

Mr. Millard is the first to be nominated. He occupies also the positions of Chairman of the Board of Apco Oil Corporation, and Chairman of the Executive Committee of Union Texas Natural Gas Corporation, is a member of the Executive Committee of Texas Butadiene & Chemical Corporation and a director of Utilities and Industries Management Corporation, Gulf Interstate Company, National Propane Corporation and Pan American Sulphur Company. He is also a member of the National Petroleum Council.

McFadden V.-P. Of Crosby Corp.

Brian M. McFadden has been elected a Vice-President of The Crosby Corporation and will be associated with Frank J. Holcombe, Jr. in the New York City office, 111 Broadway.

Form Howsam, Brown

(Special to THE FINANCIAL CHRONICLE)

DENVER, Colo.—Howsam, Brown Associates, Inc. are conducting a securities business from offices at 209 Fillmore Street. Officers are Robert L. Howsam, President; and A. Gordon Brown, Secretary-Treasurer.

F. M. Stevens Opens

Frank M. Stevens is engaging in a securities business from offices at 225 Broadway, New York City under the firm name of Stevens Planning Co. Mr. Stevens was formerly with First Investors Corp.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

	Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:				
Indicated steel operations (per cent capacity).....	Oct. 7	72.0	73.0	69.5
Equivalent to—				54.6
Steel ingots and castings (net tons).....	Oct. 7	2,102,000	2,131,000	2,032,000
1,558,000				
AMERICAN PETROLEUM INSTITUTE:				
Crude oil and condensate output—daily average (bbls. of 42 gallons each).....	Sept. 29	7,155,860	7,144,960	7,050,910
6,861,810				
Crude runs to stills—daily average (bbls.).....	Sept. 29	8,139,000	7,934,000	8,564,000
7,949,000				
Gasoline output (bbls.).....	Sept. 29	29,968,000	28,196,000	30,648,000
29,012,000				
Kerosene output (bbls.).....	Sept. 29	2,969,000	2,709,000	2,566,000
2,663,000				
Distillate fuel oil output (bbls.).....	Sept. 29	13,344,000	12,882,000	13,768,000
12,583,000				
Residual fuel oil output (bbls.).....	Sept. 29	5,980,000	5,720,000	5,660,000
6,168,000				
Stocks at refineries, bulk terminals, in transit, in pipe lines—				
Finished and unfinished gasoline (bbls.) at.....	Sept. 29	184,484,000	187,599,000	190,280,000
187,417,000				
Kerosene (bbls.) at.....	Sept. 29	35,790,000	35,035,000	34,061,000
35,151,000				
Distillate fuel oil (bbls.) at.....	Sept. 29	166,139,000	162,443,000	152,269,000
168,625,000				
Residual fuel oil (bbls.) at.....	Sept. 29	50,220,000	49,722,000	49,306,000
50,325,000				
ASSOCIATION OF AMERICAN RAILROADS:				
Revenue freight loaded (number of cars).....	Sept. 30	638,268	605,842	599,349
632,227				
Revenue freight received from connections (no. of cars).....	Sept. 30	525,245	513,131	502,588
530,009				
CIVIL ENGINEERING CONSTRUCTION—ENGINEERING NEWS-RECORD:				
Total U. S. construction.....	Oct. 5	\$450,500,000	\$465,400,000	\$268,900,000
\$602,800,000				
Private construction.....	Oct. 5	243,400,000	230,000,000	118,800,000
127,600,000				
Public construction.....	Oct. 5	207,100,000	195,400,000	150,100,000
175,200,000				
State and municipal.....	Oct. 5	188,500,000	169,100,000	124,800,000
150,600,000				
Federal.....	Oct. 5	18,600,000	26,300,000	25,300,000
24,600,000				
COAL OUTPUT (U. S. BUREAU OF MINES):				
Bituminous coal and lignite (tons).....	Sept. 30	8,775,000	8,660,000	8,285,000
8,378,000				
Pennsylvania anthracite (tons).....	Sept. 30	334,000	324,000	390,000
378,000				
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100				
Sept. 30	156	154	154	149
EDISON ELECTRIC INSTITUTE:				
Electric output (in 000 kwh.).....	Oct. 7	15,035,000	15,340,000	15,838,000
14,107,000				
FAILURES (COMMERCIAL AND INDUSTRIAL)—DUN & BRADSTREET, INC.				
Oct. 5	330	286	275	343
IRON AGE COMPOSITE PRICES:				
Finished steel (per lb.).....	Oct. 2	\$6.196c	\$6.196c	\$6.196c
\$6.196c				
Pig iron (per gross ton).....	Oct. 2	\$66.44	\$66.44	\$66.44
\$66.44				
Scrap steel (per gross ton).....	Oct. 2	\$39.17	\$39.50	\$39.17
\$29.83				
METAL PRICES (E. & M. J. QUOTATIONS):				
Electrolytic copper—				
Domestic refinery at.....	Oct. 4	30.600c	30.600c	30.600c
32.475c				
Export refinery at.....	Oct. 4	27.375c	27.175c	27.425c
27.425c				
Lead (New York) at.....	Oct. 4	11.000c	11.000c	11.000c
12.000c				
Lead (St. Louis) at.....	Oct. 4	10.800c	10.800c	10.800c
11.800c				
Zinc (delivered) at.....	Oct. 4	12.000c	12.000c	12.000c
13.500c				
Zinc (East St. Louis) at.....	Oct. 4	11.500c	11.500c	11.500c
13.250c				
Aluminum (primary pig, 99.5%+) at.....	Oct. 4	24.000c	24.000c	26.000c
23.250c				
Straits tin (New York) at.....	Oct. 4	121.125c	122.250c	125.500c
102.875c				
MOODY'S BOND PRICES DAILY AVERAGES:				
U. S. Government Bonds.....	Oct. 10	87.19	87.46	86.98
87.65				
Average corporate.....	Oct. 10	85.85	85.59	85.59
87.18				
Aaa.....	Oct. 10	89.92	89.51	89.37
91.91				
Aa.....	Oct. 10	87.99	87.72	87.59
89.78				
A.....	Oct. 10	84.94	84.81	84.55
86.65				
Baa.....	Oct. 10	80.81	80.81	80.93
80.93				
Railroad Group.....	Oct. 10	82.28	83.03	82.90
84.55				
Public Utilities Group.....	Oct. 10	86.78	86.51	86.51
88.13				
Industrials Group.....	Oct. 10	87.45	87.45	87.18
88.81				
MOODY'S BOND YIELD DAILY AVERAGES:				
U. S. Government Bonds.....	Oct. 10	3.95	3.92	3.96
3.79				
Average corporate.....	Oct. 10	4.72	4.74	4.74
4.62				
Aaa.....	Oct. 10	4.42	4.45	4.46
4.28				
Aa.....	Oct. 10	4.56	4.58	4.59
4.43				
A.....	Oct. 10	4.79	4.80	4.82
4.66				
Baa.....	Oct. 10	5.12	5.12	5.11
5.11				
Railroad Group.....	Oct. 10	4.92	4.94	4.95
4.82				
Public Utilities Group.....	Oct. 10	4.65	4.67	4.67
4.55				
Industrials Group.....	Oct. 10	4.60	4.60	4.62
4.50				
MOODY'S COMMODITY INDEX				
Oct. 10	374.6	375.0	378.0	363.1
NATIONAL PAPERBOARD ASSOCIATION:				
Orders received (tons).....	Sept. 30	365,915	344,260	342,341
334,749				
Production (tons).....	Sept. 30	349,991	350,512	337,806
324,667				
Percentage of activity.....	Sept. 30	98	97	96
93				
Unfilled orders (tons) at end of period.....	Sept. 30	570,722	557,205	521,301
429,110				
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100				
Oct. 6	113.71	113.71	114.31	109.65
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS				
Transactions of specialists in stocks in which registered—				
Total purchases.....	Sept. 15	2,309,960	2,133,910	2,661,120
1,783,190				
Short sales.....	Sept. 15	407,840	345,570	455,000
299,940				
Other sales.....	Sept. 15	1,901,810	1,783,130	2,117,030
1,420,850				
Total sales.....	Sept. 15	2,309,650	2,128,700	2,572,030
1,720,790				
Other transactions initiated off the floor—				
Total purchases.....	Sept. 15	299,920	277,290	454,630
253,090				
Short sales.....	Sept. 15	33,400	19,600	64,230
50,960				
Other sales.....	Sept. 15	290,580	295,200	437,160
224,790				
Total sales.....	Sept. 15	323,980	314,800	501,390
275,750				
Other transactions initiated on the floor—				
Total purchases.....	Sept. 15	707,173	694,615	1,030,296
512,985				
Short sales.....	Sept. 15	74,330	50,950	102,100
95,840				
Other sales.....	Sept. 15	631,730	635,345	868,691
499,880				
Total sales.....	Sept. 15	706,060	686,295	970,791
595,720				
Total round-lot transactions for account of members—				
Total purchases.....	Sept. 15	3,317,053	3,105,815	4,146,046
2,549,265				
Short sales.....	Sept. 15	515,570	416,120	621,330
446,740				
Other sales.....	Sept. 15	2,824,120	2,713,675	3,422,881
2,145,520				
Total sales.....	Sept. 15	3,339,690	3,129,795	4,044,211
3,592,260				
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE—SECURITIES EXCHANGE COMMISSION				
Odd-lot sales by dealers (customers' purchases)—†				
Number of shares.....	Sept. 15	1,635,836	1,537,726	1,766,538
1,351,988				
Dollar value.....	Sept. 15	\$94,018,032	\$93,708,949	\$92,783,139
\$64,519,362				
Odd-lot purchases by dealers (customers' sales)—				
Number of orders—customers total sales.....	Sept. 15	1,617,693	1,548,613	1,871,939
1,284,281				
Customers' short sales.....	Sept. 15	19,307	12,013	9,690
12,884				
Customers' other sales.....	Sept. 15	1,598,386	1,536,600	1,862,249
1,271,397				
Dollar value.....	Sept. 15	\$84,561,257	\$85,095,421	\$94,895,650
\$60,308,477				
Round-lot sales by dealers—				
Number of shares—Total sales.....	Sept. 15	497,950	465,720	622,970
403,630				
Short sales.....	Sept. 15	497,950	465,720	622,970
403,630				
Other sales.....	Sept. 15	506,410	443,840	536,930
438,370				
Round-lot purchases by dealers—Number of shares.....	Sept. 15	506,410	443,840	536,930
438,370				
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):				
Total round-lot sales—				
Short sales.....	Sept. 15	669,830	517,470	760,700
607,280				
Other sales.....	Sept. 15	15,081,560	13,886,610	18,061,440
11,752,520				
Total sales.....	Sept. 15	15,751,390	14,404,080	18,822,140
12,359,800				
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):				
Commodity Group.....				
All commodities.....	Oct. 3	118.5	118.7	118.7
119.5				
Farm products.....	Oct. 3	87.8	88.2	86.9
88.4				
Processed foods.....	Oct. 3	107.9	108.5	108.2
108.4				
Meats.....	Oct. 3	94.9	95.3	95.7
96.7				
All commodities other than farm and foods.....	Oct. 3	127.0	127.1	127.4
128.1				

*Revised figure. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:			
Steel ingots and steel for castings produced (net tons)—Month of August.....	8,657,000	8,091,958	6,838,000
Shipments of steel products (net tons)—			
Month of August.....	6,139,418	5,120,808	5,071,953

	Latest Month	Previous Month	Year Ago
AMERICAN ZINC INSTITUTE, INC.—Month of September:			
Slab zinc smelter output all grades (tons of 2,000 pounds).....	68,003	65,757	60,004
Shipments (tons of 2,000 pounds).....	91,029	84,271	68,182
Stocks at end of period (tons).....	165,064	188,090	192,466

	Latest Month	Previous Month	Year Ago
DEPARTMENT STORE SALES—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100			
Month of September:			
Adjusted for seasonal variation.....	150	150	144
Without seasonal adjustment.....	151	137	145

	Latest Month	Previous Month	Year Ago
METAL OUTPUT (BUREAU OF MINES)—			
Month of July:			
Mine production of recoverable metals in the United States—			
Gold (in fine ounces).....	132,169	*126,543	162,832
Silver (in fine ounces).....	3,143,218	*3,169,338	2,546,872
Copper (in short tons).....	92,126	*98,946	86,309
Lead (in short tons).....	20,788	*22,890	16,031
Zinc (in short tons).....	36,456	*40,070	36,942

METAL PRICES (E. & M. J. QUOTATIONS)—			
September:			
Copper—			
Domestic refinery (per pound).....			
Export refinery (per pound).....			
†London, prompt (per long ton).....			
††Three months, London (per long ton).....			
Lead—			
Common, New York (per pound).....			
Common, East St. Louis (per pound).....			
††London, prompt (per long ton).....			
†††Three months, London (per long ton).....			
Zinc—			
East St. Louis (per pound).....			
§§Prime Western, delivered (per pound).....			
††London, prompt (per long ton).....			
††London, three months (per long ton).....			
Silver and Sterling Exchange—			
Silver, New York (per ounce).....			
Silver, London (per ounce).....			
Sterling Exchange (check).....			
Tin, New York Straits.....			
Gold (per ounce U. S. price).....			
Quicksilver (per flask of 76 pounds).....			
Antimony—			
†New York, boxed (per pound).....			
Lead, bulk (per pound).....			
Laredo, boxed (per pound).....			
Aluminum—			
99% grade ingot weighted avge. (per lb).....			
99% grade primary pig export.....			
**Nickel.....			
Bismuth (per pound).....			
Platinum, refined (per pound).....			
Cadmium (per pound, delivered ton lots).....			
(Per pound, small lots).....			
Cobalt, 97% grade (per pound).....			

Securities Now in Registration

★ INDICATES ADDITIONS
SINCE PREVIOUS ISSUE
● ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

ABC Cellophane Corp.

Sept. 7, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—A converter of packaging material, producing polyethylene and cellophane bags and sheets. Proceeds—For a new plant and equipment and working capital. Office—1368-72 Utica Ave., Brooklyn. Underwriter—Havener Securities Corp., N. Y.

● A. & E. Plastik Pak Co., Inc. (10/16-20)

Aug. 1, 1961 ("Reg. A") 40,000 common shares (no par). Price—\$7.50. Proceeds—For equipment and working capital. Office—652 Mateo Street, Los Angeles. Underwriters—Blalack & Co., Inc., San Marino, Calif.; Harbison & Henderson, Los Angeles; May & Co., Portland, Ore., and Wheeler & Cruttenden, Inc., Los Angeles.

AMT Corp. (10/23-27)

Sept. 11, 1961 filed 230,000 common, of which 160,000 are to be offered by the company and 70,000 by a stockholder. Price—By amendment. Business—The manufacturer of scale model plastic automobiles distributed in kit form. Proceeds—For equipment, repayment of loans, and working capital. Office—1225 E. Maple Rd., Troy, Mich. Underwriter—A. G. Becker & Co., Chicago (mgr.).

Abbey Rents

Sept. 25, 1961 filed 200,000 capital shares, of which 100,000 will be sold by the company and 100,000 by stockholders. Price—By amendment. Business—Rental and sale of party, sickroom and hospital equipment. Proceeds—Expansion, inventory and working capital. Underwriter—William R. Staats & Co., Los Angeles.

● **Abby Vending Manufacturing Corp. (10/16-20)**
July 26, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The manufacture of coin operated vending machines. Proceeds—For moving expenses, an acquisition and working capital. Office—79 Clifton Place, Brooklyn, N. Y. Underwriter—L. H. Wright & Co., Inc., 135 Broadway, N. Y.

Ace Trophies Corp. (10/23)

Sept. 18, 1961 filed 200,000 common. Price—\$1. Business—The design, manufacture and sale of trophies, plaques and cups for sporting events. Proceeds—For production expenses, printing, promotion, inventory and working capital. Office—1510 Broadway, Brooklyn, N. Y. Underwriter—Ezra Kureen Co., N. Y.

Aceto Chemical Co., Inc.

Sept. 27, 1961 filed 88,000 common. Price—\$5. Business—Purchase and sale of chemicals and by-products. Proceeds—For expansion, sales promotion, and working capital. Office—40-40 Lawrence St., Flushing, N. Y. Underwriter—Karen Securities Corp., N. Y.

Acratex Chemical Coatings, Inc. (10/16-20)

Aug. 8, 1961 ("Reg. A") 99,900 common. Price—\$3. Business—The manufacture of a wallcovering product. Proceeds—For expansion and general corporate purposes. Office—Easton St., Ronkonkoma, N. Y. Underwriter—Tyche Securities Inc., N. Y.

● **Acro Electronic Products Co. (11/15)**
July 17, 1961 filed 100,000 class A common shares. Price—\$4. Business—The manufacture of transformers for electronic and electrical equipment. Proceeds—For relocating to and equipping a new plant, purchase of inventory, research and development, advertising, promotion and merchandising, repayment of debt and other corporate purposes. Office—369 Shurs Lane, Philadelphia. Underwriter—Roth & Co., Inc., Philadelphia.

A-Drive Auto Leasing System, Inc.

Jan. 19, 1961 filed 100,000 shares of class A stock, of which 75,000 are to be offered for public sale by the company and 25,000 shares, being outstanding stock, by the present holders thereof. Price—\$10 per share. Business—The company is engaged in the business of leasing automobiles and trucks for periods of over one year. Proceeds—To repay loans; open new offices in Philadelphia, Pa., and New Haven, Conn.; lease and equip a large garage in New York City and lease additional trucks.

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Office—1616 Northern Boulevard, Manhasset, N. Y. Underwriter—Hill, Darlington & Grimm, N. Y. C. (mgr.)

Adrian Steel Co.

Sept. 11, 1961 ("Reg. A") 100,000 common. Price—\$2.50. Business—Steel fabricating and warehousing. Proceeds—To establish a new industrial air conditioner division. Office—Adrian, Mich. Underwriter—Morrison & Frumin, Inc., Detroit.

Advanced Electronics Corp.

May 31, 1961 ("Reg. A") 150,000 class A shares (par 10 cents). Price—\$2. Business—Designs and manufactures radio telemetry systems, frequency filters and power supplies for the missile, rocket and space programs. Proceeds—For research and development, equipment, repayment of loans and working capital. Office—2 Commercial St., Hicksville, N. Y. Underwriter—Edward Hindley & Co., and Hardy & Hardy, N. Y. C.

Aero-Dynamics Corp. (10/30-11/3)

Aug. 7, 1961 filed 100,000 common shares. Price—\$5. Business—The importation and distribution of Italian marble and mosaic tiles. Proceeds—For the purchase and installation of new moulds, machinery and equipment, research and general corporate purposes. Office—250 Goffle Road, Hawthorne, N. J. Underwriters—Cambridge Securities, Inc. and Edward Lewis Co., Inc., N. Y.

Aero Fidelity Acceptance Corp.

July 11, 1961 ("Reg. A") 100,000 common shares (par five cents). Price—\$3. Proceeds—For repayment of loans, purchase of notes and equipment. Office—185 Walton Ave., N. W., Atlanta, Ga. Underwriters—T. Michael McDarby & Co., Inc., and J. Morris Anderson & Associates, Inc., both of Washington, D. C. Offering—Imminent.

● Aero Space Electronics, Inc.

July 17, 1961 ("Reg. A") 80,000 capital shares. Price—\$3. Proceeds—For repayment of debt and working capital. Office—2036 Broadway, Santa Monica, Calif. Underwriter—Hamilton Waters & Co., Inc., Hempstead, N. Y.

Aerological Research, Inc.

Aug. 29, 1961 filed 100,000 common. Price—\$3.50 Business—The manufacture of instruments for aerology, meteorology, oceanography, geophysics and atmospheric phenomenon. Proceeds—For working capital. Office—420 Division St., Long Branch, N. J. Underwriter—A. D. Gilhart & Co., Inc., N. Y.

Aetna Maintenance Co.

Sept. 25, 1961 filed 154,000 common, of which 128,000 are to be offered by the company and 26,000 by stockholders. Price—By amendment. Business—Furnishing of cleaning and protection services for office buildings, plants, and military bases. Proceeds—To repay loans and increase working capital. Office—526 S. San Pedro St., Los Angeles. Underwriter—Schwabacher & Co., San Francisco.

Agency Tile Industries, Inc.

Sept. 6, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—Importing, marketing and distributing ceramic tiles. Proceeds—Debt payment, new products, sales promotion and advertising, new office and warehouse and working capital. Office—522 W. 29th St., N. Y. Underwriter—International Services Corp., Paterson, N. J.

Air Master Corp. (11/6-10)

May 26, 1961 filed 200,000 shares of class A common stock, of which 50,000 shares are to be offered for public sale by the company and 150,000 outstanding shares by the present holders thereof. Price—To be supplied by amendment. Business—The manufacture and sale of aluminum storm windows and doors, and other aluminum products. Proceeds—For working capital, and other corporate purposes. Office—20th Street, and Allegheny Avenue, Philadelphia, Pa. Underwriter—Francis I. du Pont & Co., New York City (managing).

● Airtronics International Corp. of Florida (10/23-27)

June 29, 1961 filed 199,000 common shares of which 110,000 shares are to be offered by the company and 89,000 shares by stockholders. Price—By amendment. Business—The manufacture of electronic, mechanical and components. Proceeds—For repayment of loans, ex- and electro-mechanical rocket and missile system parts pansion and working capital. Office—6900 West Road 84, Fort Lauderdale, Fla. Underwriters—Stein Bros. & Boyce, Baltimore & Vickers, MacPherson & Warwick, Inc., N. Y.

● Aksman (L. J.) & Co., Inc.

July 28, 1961 ("Reg. A") 80,000 common shares (par 10 cents). Price—\$3. Business—A mechanical contractor in design and installation of heating, ventilating and air conditioning systems. Proceeds—For moving, purchase of machinery and equipment, inventory, repayment of loans and working capital. Office—1425 Utica Avenue, Brooklyn 3, N. Y. Underwriters—Rothenberg, Heller & Co., Inc. and Carroll Co., N. Y. Offering—Imminent.

Albert Voigt Industries, Inc. (11/6-10)

Aug. 29, 1961 filed 80,000 common. Price—\$4. Business—The manufacture of metal store fixtures, show cases and related items. Proceeds—For repayment of loans, working capital, a leasehold improvement and moving expenses. Office—14-20 Dunham Pl., Brooklyn, N. Y. Underwriter—David Barnes & Co., Inc., N. Y. C.

Al-Crete Corp.

Sept. 20, 1961 filed 127,000 class A common. Price—\$3. Business—Development and manufacture of a new variety of building products. Proceeds—For construction of

a new plant. Office—4800 Baltimore Ave., Hyattsville, Md. Underwriter—Whitehall Securities Corp., Pittsburgh.

All Service Life Insurance Co.

Sept. 18, 1961 ("Reg. A") 239,200 common. Price—\$1.25. Business—Writing of life, accident, sickness and health insurance. Office—1729 N. Weber St., Colorado Springs, Colo. Underwriter—Copley & Co., Colorado Springs, Colo.

● All Star World Wide, Inc. (11/13-17)

July 7, 1961 filed \$250,000 of 5% convertible subordinated debentures due 1971 and 150,000 common shares. Price—For debentures, at par; for stock, \$5. Business—Joint venture with Brunswick Corp. to establish and operate bowling centers in Europe. Proceeds—For expansion and general corporate purposes. Office—100 W. Tenth St., Wilmington, Del. Underwriters—Alessandrini & Co., Inc. and Hardy & Hardy, New York (managing).

All-State Auto Rental Corp.

Sept. 28, 1961 filed 50,000 common. Price—\$4. Business—Leases motor vehicles. Proceeds—For working capital. Office—31-04 Northern Blvd., Long Island City, N. Y. Underwriter—None.

Allen Organ Co.

Aug. 30, 1961 filed 140,000 class B (non-voting) common, of which 37,000 shares are to be offered by the company and 103,000 by the stockholders. Price—By amendment. Business—The manufacture of electronic organs. Proceeds—For repayment of a loan, redemption of outstanding preferred, working capital and expansion. Address—Macungie, Pa. Underwriters—Drexel & Co., Philadelphia, and Warren W. York & Co., Allentown, Pa. (mgrs.)

● **Alpine Geophysical Associates, Inc. (11/13-17)**
July 28, 1961 filed 150,000 common shares. Price—By amendment. Business—The conducting of marine and land geophysical surveys for petroleum and mining exploration and engineering projects, and the manufacture of oceanographic and geophysical apparatus. Proceeds—For repayment of debt and general corporate purposes. Office—55 Oak St., Norwood, N. J. Underwriter—S. D. Fuller & Co., New York (managing).

● Alison Mfg. Co. (10/16-20)

Aug. 28, 1961 ("Reg. A") 75,000 common. Price—\$4. Proceeds—For equipment, repayment of loans and working capital. Office—2690 N. E. 191st St., Miami, Fla. Underwriter—Albion Securities Co., Inc., N. Y.

Aiuma-Rail, Inc.

Sept. 28, 1961 ("Reg. A") 100,000 common. Price—\$2.25. Business—Manufacture of new color anodized aluminum chain link fencing. Proceeds—For inventory and plant expansion. Office—44 Passaic Ave., Kearny, N. J. Underwriter—Herman & Diamond, N. Y.

Amacorp Industrial Leasing Co., Inc.

Sept. 27, 1961 filed \$3,000,000 of 6½% conv. subord. debentures due 1971. Price—By amendment. Business—Financing and lease of industrial and office equipment. Proceeds—Repay debt and increase working capital. Office—34 S. Stoneman Ave., Alhambra, Calif. Underwriter—McDonnell & Co., Inc., N. Y.

Amcap Investment Inc.

Oct. 2, 1961 filed 250,000 common. Price—\$11.25. Business—A small business investment company. Proceeds—For investment. Address—Chicago. Underwriter—None.

Amcrete Corp.

May 4, 1961 (letter of notification) 75,000 shares of common stock (par 10 cents). Price—\$4 per share. Business—The sale of pre-cast and pre-stressed concrete panels for swimming pools and pumps, filters, ladders, etc. Proceeds—For building test pools; advertising, inventory and working capital. Office—102 Mamaroneck Ave., Mamaroneck, N. Y. Underwriter—Vincent Associates, Ltd., 217 Broadway, N. Y.

Amerel Mining Co. Ltd.

July 31, 1961 filed 400,000 common shares. Price—50 cents. Business—The company is engaged in exploration, development and mining. Proceeds—For diamond drill-

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ing, construction, exploration and general corporate expenses. Office—80 Richmond St., W., Toronto. Underwriter—E. A. Manning, Ltd., Toronto.

★ **American Auto Stores, Inc.**

Sept. 28, 1961 ("Reg. A") 50,000 class A common. Price—\$5. Proceeds—General corporate purposes. Office—3333 Locust St., St. Louis. Underwriter—Scherck, Richter Co., St. Louis.

★ **American Automatic Vending Corp. (10/24)**

Aug. 15, 1961 filed 270,000 common. Price—By amendment. Business—Sale of merchandise through vending machines. Proceeds—Repayment of debt and other corporate purposes. Office—7501 Carnegie Ave., Cleveland, O. Underwriter—McDonald & Co., Cleveland.

★ **American Data Machines, Inc.**

Aug. 17, 1961 filed 150,000 common shares. Price—\$4.50. Business—The manufacture of data processing equipment. Proceeds—For repayment of loans, new products, advertising, engineering, new machine tools, working capital and general corporate purposes. Office—7 Commercial St., Hicksville, N. Y. Underwriter—Golkin Bomback & Co., N. Y.

★ **American Distilling Co. (10/17)**

Sept. 14, 1961 filed \$9,551,900 of subordinated debentures due Nov. 1, 1986 (convertible until 1971) to be offered for subscription by common stockholders on the basis of \$100 of debentures for each 10 shares held of record about Oct. 17, with rights to expire about Nov. 1. Price—By amendment. Business—Distilling and marketing of alcoholic beverages including bourbon, whiskies, vodkas and gins. Proceeds—For the prepayment of debt, and working capital. Office—150 E. 42nd St., N. Y. Underwriter—Blyth & Co., Inc., N. Y.

★ **American Electronic Laboratories, Inc.**

May 26, 1961 filed 10,632 shares of class A common stock to be offered for subscription by stockholders at the rate of one new share for each 10 shares held. Price—To be supplied by amendment. Business—The company is engaged in research and development in the field of electronic communication equipment. Proceeds—For construction, new equipment, and other corporate purposes. Office—121 North Seventh Street, Philadelphia. Underwriter—Suplee, Yeatman, Mosley Co., Inc., Philadelphia, Pa. Offering—Imminent.

★ **American Finance Co., Inc. (11/6-10)**

April 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1971; 75,000 shares of common stock, and 25,000 common stock purchase warrants to be offered for public sale in units consisting of one \$200 debenture, 30 common shares and 10 warrants. Price—\$500 per unit. Business—The company and its subsidiaries are primarily engaged in the automobile sale finance business. One additional subsidiary is a Maryland savings and loan association and two are automobile insurance brokers. Proceeds—For the retirement of debentures, and capital funds. Office—1472 Broadway, N. Y. Underwriter—Myron A. Lomasney & Co., N. Y.

★ **American & Foreign Power Co., Inc.**

Sept. 18, 1961 filed 240,000 common. Price—By amendment. Proceeds—For the selling stockholder, Electric Bond & Share Co. Office—100 Church Street, N. Y. Underwriters—Lazard Freres & Co., and First Boston Corp., New York.

★ **American Heritage Publishing Co., Inc. (10/17)**

Aug. 18, 1961 filed 140,000 common shares, of which 75,000 shares are to be offered by the company and 65,000 shares by stockholders. Price—By amendment. Business—Magazine and book publishing. Proceeds—For repayment of loans and general corporate purposes. Office—551 Fifth Ave., New York. Underwriter—White, Weld & Co., New York (managing).

★ **American Micro Devices, Inc.**

Aug. 2, 1961 filed 1,500,000 class A common shares. Price—\$1.15. Business—The manufacture of electronic components. Proceeds—The purchase of equipment and materials, operational expenses, working capital and rewriter—Naftalin & Co., Inc., Minneapolis. Offering—Expected in late November.

★ **American Precision Industries, Inc. (10/16-20)**

Aug. 18, 1961 filed 158,000 common shares, of which 115,000 shares are to be offered by the company and 38,000 shares by stockholders. Price—By amendment. Business—The machining and fabrication of components and assemblies from steel, aluminum and certain alloys and other metals. Proceeds—For a new plant and equipment, research and development, repayment of debt and working capital. Office—3901 Union Rd., Buffalo. Underwriter—Eastman Dillon, Union Securities & Co., New York (managing).

★ **American Realty & Petroleum Corp.**

Sept. 28, 1961 filed \$2,000,000 of 6½% conv. subord. debentures due 1971. Price—At par. Business—Real estate and also the oil and gas business. Proceeds—For repayment of debt, sales and advertising, property improvements and possible acquisitions. Office—16 W. 61st St., N. Y. Underwriter—Troster, Singer & Co., N. Y.

★ **American Realty Trust**

July 25, 1961 filed 500,000 shares of beneficial interests. Price—\$10. Business—A real estate investment company. Office—608 Thirteenth St., N. W., Washington, D. C. Underwriter—Stifel, Nicolaus & Co., Inc., St. Louis. Offering—Imminent.

★ **American Safety Equipment Corporation**

Sept. 28, 1961 filed 80,000 common. Price—\$10. Business—Manufacture of safety seat belts. Proceeds—Inventory, machinery, advertising, and research. Office—261 Madison Ave., N. Y. Underwriter—Charles Plohn & Co., N. Y.

★ **American Self Service Stores, Inc. (10/16-20)**

Aug. 11, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000

shares by stockholders. Price—By amendment. Business—The operation of self-service shoe stores. Proceeds—For repayment of loans and expansion. Office—1908 Washington Avenue, St. Louis. Underwriter—Scherck, Richter Co., St. Louis.

★ **American Sports Plan, Inc.**

June 29, 1961 filed 200,000 common shares. Price—\$6. Business—The operation of bowling centers. Proceeds—For expansion. Office—473 Winter Street, Waltham, Mass. Underwriter—None.

★ **American Technical Machinery Corp.**

Aug. 29, 1961 filed 95,000 common, of which 65,000 are to be offered by the company and 30,000 by stockholders. Price—By amendment. Business—The manufacture of machinery for fabrication of twisted wire brushes. Proceeds—For equipment, repayment of loans and working capital. Office—29-31 Elm Ave., Mt. Vernon, N. Y. Underwriter—M. L. Lee & Co., Inc., N. Y. C. (mgr.).

★ **American Variety Stores, Inc.**

Aug. 30, 1961 filed 100,000 common. Price—\$4.50. Business—The operation of retail discount variety stores. Proceeds—For repayment of loans, equipment, and working capital. Office—Cleveland at Passaic, Fort Myers, Fla. Underwriter—Netherlands Securities Co., Inc., N. Y. (mgr.).

★ **Amity Corp.**

Jan. 17, 1961 filed 88,739 shares of common stock (par \$1). Price—\$3 per share. Business—Land development, including the building of an air strip, a marina, and a housing cooperative. This is the issuer's first public financing. Proceeds—For general corporate purposes, including \$170,000 for construction and \$12,000 for debt reduction. Office—Equitable Building, Baltimore, Md. Underwriter—Karen Securities Corp., New York City. Note—This statement is expected to be refilled.

★ **Amphicar Corp. of America**

June 15, 1961 filed 100,000 common shares. Price—\$5. Business—The manufacture of amphibious automobiles. Proceeds—To establish a parts depot in Newark, N. J., set up sales and service organizations, and for working capital and general corporate purposes. Office—660 Madison Ave., New York. Underwriter—J. J. Krieger & Co., New York.

★ **Anaconda Real Estate Investment Trust**

Oct. 3, 1961 filed 163,636 shares of beneficial interests. Price—\$10. Business—Real estate investing. Proceeds—For purchase of real estate in Florida. Office—1776 E. Sunrise Blvd., Fort Lauderdale, Fla. Underwriter—None.

★ **Anderson New England Capital Corp. (10/24)**

July 21, 1961 filed 400,000 common shares. Price—By amendment. Business—A small business investment company. Proceeds—For investment. Office—150 Causeway Street, Boston. Underwriter—Putnam & Co., Hartford, Conn. (mgr.).

★ **Animal Insurance Co. of America**

June 29, 1961 filed 40,000 common shares. Price—\$15.50. Business—The insuring of animals, primarily race horses, trotters and pacers. Proceeds—For expansion and general corporate purposes. Office—92 Liberty St., New York. Underwriter—Bernard M. Kahn & Co., Inc., New York (mgr.). Offering—Imminent.

★ **Anodyne, Inc.**

June 20, 1961 filed \$625,000 of 5% convertible subordinated debentures, 156,250 common shares reserved for issuance on conversion of the debentures and 5-year warrants to purchase 125,000 common shares to be offered in 6,250 units, each consisting of \$100 of debentures and warrants to purchase 20 shares. The units will be offered for subscription by common stockholders on the basis of one unit for each 100 common shares held. Price—\$100 per unit. Proceeds—For expansion and working capital. Office—1270 N. W. 165th St., North Miami Beach, Fla. Underwriters—Ross, Lyon & Co., Inc., and Globus, Inc., New York.

★ **Apex Thermoplastics, Inc. (11/13-17)**

Aug. 29, 1961 filed 150,000 common. Price—\$2.40. Business—The manufacture of thermoplastic compounds for resale to other manufacturers. Proceeds—For equipment, sales and advertising and working capital. Office—395 Smith St., Brooklyn, N. Y. Underwriter—Continental Bond & Shares Corp., Maplewood, N. J.

★ **Architectural Marble Co.**

Aug. 28, 1961 filed 100,000 common. Price—\$3.50. Business—The cutting, designing, polishing and installing of marble products. Proceeds—For plant expansion, inventory and working capital. Office—4425 N. E. Sixth Terrace, Oakland Park, Ft. Lauderdale, Fla. Underwriter—J. J. Bruno & Co., Inc., Pittsburgh.

★ **Arista Truck Renting Corp. (10/23-27)**

Aug. 2, 1961 filed 100,000 common. Price—\$5. Business—Renting of trucks in the New York City area. Proceeds—Repayment of loans, purchase of equipment, working capital and general corporate purposes. Office—285 Bond St., Brooklyn, N. Y. Underwriter—None.

★ **Arizona Color Film Processing Laboratories, Inc.**

March 23, 1961 filed 2,100,500 shares of common stock to be offered for subscription by common stockholders on the basis of one new share for each share held. Price—22 cents per share. Business—The processing of black and white and color film. Proceeds—To repay loans and for working capital. Office—2 North 30th Street, Phoenix, Ariz. Underwriter—None.

★ **Armorflex Chemical Corp.**

Sept. 18, 1961 ("Reg. A") 150,000 common. Price—\$2. Business—Manufacture of chemical products used for painting, waterproofing, caulking, etc. Proceeds—Sales promotion, research and development, inventory expansion and working capital. Office—1100 N. E. 125th St., North Miami, Fla. Underwriter—Fairfax Investment Corp., Washington, D. C.

★ **Artlin Mills, Inc.**

Sept. 28, 1961 filed 135,000 class A common shares. Price—\$5. Business—The purchase, conversion, decoration, gift packaging and distribution of terrycloth towels and cotton pillow cases. Proceeds—For inventory, repayment of loans and working capital. Office—1030 Pearl St., Long Branch, N. J. Underwriter—Mortimer B. Burnside & Co., Inc., N. Y.

★ **Associated Products, Inc. (10/23-27)**

Aug. 25, 1961 filed 359,000 common, of which 175,000 are to be offered by the company and 184,000 by stockholders. Price—\$17. Business—The manufacture of dog and cat food, cosmetics, drug items and toiletries. Proceeds—For repayment of loans and working capital. Office—445 Park Ave., N. Y. C. Underwriters—Allen & Co., N. Y. C. and A. C. Allyn & Co., Chicago (co-mgrs.).

★ **Astrodata, Inc.**

Aug. 28, 1961 filed 825,000 shares of capital stock, of which 200,000 will be offered for public sale and 625,000 will be offered for subscription by stockholders of Epsco, Inc., parent, on the basis of one new share for each Epsco share held. Price—By amendment. Business—The manufacture of electronic data handling equipment, range timing devices and standard electronic products. Proceeds—For repayment of loans and working capital. Office—240 E. Palms Rd., Anaheim, Calif. Underwriters—Granbery, Marache & Co., N. Y. C. and William R. Staats & Co., Los Angeles.

★ **Astro-Science Corp.**

Sept. 27, 1961 filed 232,500 common, of which 150,000 are to be offered by the company and 82,500 by stockholders. Price—By amendment. Business—Design and manufacture of ground systems and equipment for the support and servicing of electronic systems, aircraft and missiles. Proceeds—Repay debt and increase working capital. Office—9449 W. Jefferson Blvd., Culver City, Calif. Underwriter—W. C. Langley & Co., N. Y.

★ **Atlantic Capital Corp.**

Aug. 29, 1961 filed 500,000 common. Price—\$12.50. Business—A small business investment company. Proceeds—For general corporate purposes. Office—744 Broad St., Newark, N. J. Underwriter—Paine, Webber, Jackson & Curtis, N. Y. C. Offering—Expected in late October.

★ **Atlantic City Electric Co. (11/2)**

Sept. 22, 1961 filed 200,000 common. Price—By amendment. Proceeds—Prepayment of debt and construction. Office—1600 Pacific Ave., Atlantic City, N. J. Underwriters—Eastman Dillon, Union Securities & Co. and Smith, Barney & Co., N. Y.

★ **Atlantic Improvement Corp. (10/30-11/3)**

Aug. 30, 1961 filed 150,000 common. Price—By amendment. Business—The development of residential communities. Proceeds—Repayment of a loan and construction, general corporate purposes. Office—521 Fifth Ave., N. Y. Underwriters—Bear, Stearns & Co., and Finkle & Co., N. Y. (mgrs.).

★ **Atlas Electronics Inc.**

Sept. 28, 1961 filed 185,000 common. Price—\$2.10. Business—Distribution of electronic components, parts and equipment. Proceeds—To repay debt, purchase inventory, and increase working capital. Office—774 Pfeiffer Blvd., Perth Amboy, N. J. Underwriters—Hay, Fales & Co. and McLaughlin, Kaufman & Co., N. Y.

★ **Atmospheric Controls, Inc.**

Aug. 22, 1961 ("Reg. A") 40,000 common. Price—\$3.50. Proceeds—For repayment of loans, acquisition and working capital. Office—715 N. Fayette St., Alexandria, Va. Underwriter—First Investment Planning Co., Washington, D. C. Offering—Expected in late November.

★ **Atmotron, Inc. (10/23-27)**

July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$1.15. Proceeds—For general corporate purposes. Office—5209 Hanson Court, Minneapolis. Underwriter—J. P. Penn & Co., Inc., Minneapolis.

★ **Authenticolor Inc.**

Aug. 29, 1961 filed 148,200 common, of which 136,800 are to be offered by the company and 11,400 by stockholders. Price—\$3.25. Business—The furnishing of photographic service for the professional market. Proceeds—For working capital and repayment of loans. Office—525 Lexington Ave., N. Y. C. Underwriter—General Economics Corp., N. Y. C.

★ **Automata International, Inc.**

Aug. 22, 1961 ("Reg. A") 300,000 common. Price—\$1. Proceeds—For tooling, equipment and working capital. Office—241 S. Robertson Blvd., Beverly Hills, Calif. Underwriter—Pacific Coast Securities Co., San Fran. Offering—Expected in late October.

★ **Automated Building Components, Inc. (10/17)**

July 28, 1961 filed 100,000 common shares. Price—\$7. Business—The manufacture of metal conductor plate used in the prefabrication of wooden roof trusses and the manufacture of jigs and presses from which the plates are made. Proceeds—For repayment of loans, expansion and working capital. Office—7525 N. W. 37th Ave., Miami. Underwriters—Winslow, Cohu & Stetson; Laird, Bissell & Meeds, N. Y. C.

★ **Automated Gift Plan, Inc.**

June 12, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Manufacture and sale of "Gift Bookards" designed to provide simplified gift giving for business and industry. Proceeds—For advertising, sales promotion, repayment of loans, working capital and the establishment of national dealerships. Office—80 Park Ave., N. Y. Underwriter—J. Laurence & Co., Inc., N. Y.

★ **Automated Sports Centers, Inc. (11/1)**

June 28, 1961 filed 1,750 units, each consisting of one \$400 principal amount debenture (with attached war-

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rants) and 120 common. **Price**—\$1,000 per unit. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, acquisition of a warehouse and working capital. **Office**—11459 E. Imperial Hwy., Norfolk, Calif. **Underwriter**—Holton, Henderson & Co., Los Angeles. **Note**—The company formerly was named Union Leagues, Inc.

Automated Teaching Systems, Inc.

Sept. 18, 1961 ("Reg. A") 30,000 common. **Price**—\$10. **Business**—Manufacture of self-instructional materials and devices. **Proceeds**—For equipment, research and development and other corporate purposes. **Office**—1 W. 58th St., N. Y. **Underwriter**—Arthur J. Rosenhauser Co., 95 Broad St., N. Y.

Autrol Corp.

Sept. 13, 1961 ("Reg. A") 60,000 common. **Price**—\$2.50. **Business**—Manufacture of automatic vending machines and related equipment. **Office**—1649 Vine St., Denver, Colo. **Underwriter**—Schmidt, Sharp, McCabe & Co., Inc., Denver, Colo.

Aveeno Pharmaceuticals, Inc.

Sept. 27, 1961 filed 125,000 common. **Price**—By amendment. **Business**—Development and sale of pharmaceutical products. **Proceeds**—For sales promotion, new products and working capital. **Office**—250 W. 57th St., N. Y. **Underwriter**—Laird & Company, Corp., N. Y.

Avemco Finance Corp. (11/6-10)

Aug. 15, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The retail financing of time sales to consumers and the financing of dealer sales of aircraft and related equipment. **Proceeds**—For the repayment of debt. **Office**—8645 Colesville Rd., Silver Spring, Md. **Underwriters**—Sterling, Grace & Co., New York and Rouse, Brewer, Becker & Bryant, Inc., Washington, D. C.

BSF Company

June 30, 1961 filed \$2,500,000 of 5% convertible subordinated debentures due 1966. **Price**—At par. **Proceeds**—10 repay debt and as a reserve for possible acquisitions. **Office**—818 Market St., Wilmington, Del. **Underwriter**—None.

Babcock Electronics Corp. (10/16-20)

Aug. 11, 1961 filed 300,000 capital shares, of which 50,000 shares are to be offered by the company and 250,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of electronic units for remote control of aircraft. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—1640 Monrovia Avenue, Costa Mesa, Calif. **Underwriters**—Blyth & Co., Inc., New York and Schwabacher & Co., San Francisco (managing).

Barish Associates, Inc.

Sept. 1, 1961 ("Reg. A") 50,000 common. **Price**—\$4. **Business**—Aeronautical research and development. **Proceeds**—For working capital. **Office**—224 E. 38th St., N. Y. **Underwriter**—Gianis & Co., N. Y.

Barry (R. G.) Corp.

Sept. 21, 1961 filed 100,000 common. **Price**—\$5. **Business**—Manufacture of slippers, robes, cushions, pillows, auto-seat covers, and other specialty items. **Proceeds**—To repay debt, increase inventory and for other corporate purposes. **Office**—78 E. Chestnut St., Columbus, Ohio. **Underwriter**—Arnold Malkan & Co., N. Y.

Barry-Martin Pharmaceuticals, Inc.

Aug. 25, 1961 ("Reg. A") 150,000 class A common. **Price**—\$2. **Proceeds**—For packaging, advertising, repayment of loans and working capital. **Office**—4621 Ponce de Leon Blvd., Coral Gables, Fla. **Underwriter**—Edward Hindley & Co., N. Y. C.

Barton Distilling Co.

Oct. 5, 1961 filed 360,000 common. **Price**—By amendment. **Business**—Distilling of whiskey. **Proceeds**—For selling stockholders. **Office**—134 N. La Salle St., Chicago. **Underwriters**—Smith, Barney & Co., N. Y. and Fulton, Reid & Co., Inc., Cleveland.

Beam-Matic Hospital Supply, Inc. (10/24)

July 21, 1961 filed 100,000 common shares. **Price**—\$3. **Business**—The manufacture of hospital equipment and supplies. **Proceeds**—For expansion of plant facilities, purchase of equipment, expansion of sales program, development of new products and working capital. **Office**—25-11 49th Street, Long Island City, N. Y. **Underwriter**—First Weber Securities Corp., New York.

Beau Electronics, Inc.

Sept. 26, 1961 ("Reg. A") 3,000 common. **Price**—At-the-market. **Business**—The manufacture of special type electric motors. **Proceeds**—For a selling stockholder. **Office**—1060 Wolcott Rd., Waterbury, Conn. **Underwriter**—Cooley & Co., Hartford, Conn.

Bel-Aire Products, Inc.

Sept. 22, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Manufacture of aluminum pontoon boats. **Office**—25970 W. Eight Mile Rd., Southfield, Mich. **Underwriter**—Ehrlich, Irwin & Co., Inc., N. Y.

Bell Television, Inc.

Aug. 29, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The manufacture of television antenna, music and sound equipment and closed circuit television systems. **Proceeds**—For an acquisition, expansion and inventory. **Office**—552 W. 53rd St., New York 19, N. Y. **Underwriter**—Investment Planning Group, Inc., East Orange, N. J.

Berkshire Distributors, Inc.

Sept. 14, 1961 filed 100,000 common, of which 60,000 will be sold for the company and 40,000 for certain stockholders. **Price**—By amendment. **Business**—The operation of eight discount type department stores in four states.

Proceeds—For the repayment of debt, and working capital. **Office**—203 Ann St., Hartford, Conn. **Underwriter**—May & Gannon, Boston.

Best Plastics Corp.

Sept. 26, 1961 filed 125,000 common, of which 100,000 will be sold by the company and 25,000 by stockholders. **Price**—\$3. **Business**—Manufacture of plastic novelties and party favors. **Proceeds**—New plant and equipment and working capital. **Office**—945 39th St., Brooklyn, N. Y. **Underwriter**—S. B. Cantor & Co., N. Y.

Bin-Dicator Co.

Aug. 25, 1961 filed 160,932 common. **Price**—By amendment. **Business**—The manufacture of automatic control devices for handling bulk granular or pulverized materials. **Proceeds**—For the selling stockholders. **Office**—17190 Denver, Detroit. **Underwriter**—Smith, Hague & Co., Detroit.

Binney & Smith, Inc.

Sept. 8, 1961 filed 171,038 common. **Price**—By amendment. **Business**—The manufacture of educational art materials. **Proceeds**—For the selling stockholders. **Office**—380 Madison Ave., N. Y. C. **Underwriter**—Lee Higginson Corp., N. Y. (mgr.). **Offering**—Expected in early November.

● **Black & Decker Manufacturing Corp. (10/16-20)**
Aug. 11, 1961 filed 120,000 outstanding common shares. **Price**—By amendment. **Business**—The manufacture of power tools. **Proceeds**—For the selling stockholder. **Office**—Towson, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York (managing).

Bloch Brothers Tobacco Co.

July 3, 1961 ("Reg. A") 4,000 common shares (par \$12.50). **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—4000 Water St., Wheeling, W. Va. **Underwriter**—Fulton, Reid & Co., Inc., Cleveland.

● **Bloomfield Building Industries, Inc. (10/23-27)**
June 29, 1961 filed 300,000 class A common shares. **Price**—\$5. **Proceeds**—For advances to a subsidiary, purchase of additional land and the construction of buildings thereon. **Office**—3355 Poplar Ave., Memphis, Tenn. **Underwriter**—Lieberbaum & Co., New York.

Boone (C. F.) Nationwide Publications, Inc.

Sept. 20, 1961 ("Reg. A") 100,000 common. **Price**—\$2. **Business**—Publishes directories of military personnel and Texas landowners. **Office**—4007 Ave. "A", Lubbock, Texas. **Underwriter**—G. K. Scott & Co., Inc., N. Y.

Boro Electronics, Inc.

Aug. 30, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The distribution of electronic products manufactured by others. **Proceeds**—For inventory, equipment, advertising, promotion, working capital and repayment of loans. **Office**—69-18 Roosevelt Ave., Woodside, N. Y. **Underwriter**—McLaughlin, Kaufman & Co., N. Y. **Offering**—Expected in early November.

Bowling Internazionale, Ltd.

June 30, 1961 filed 200,000 common shares. **Price**—\$5. **Proceeds**—For the construction or acquisition of a chain of bowling centers principally in Italy, and for expansion and working capital. **Office**—80 Wall St., New York. **Underwriters**—V. S. Wickett & Co., and Thomas, William, & Lee, Inc., New York City.

Brinkun, Inc.

July 28, 1961 ("Reg. A") 133,000 common shares (par 70 cents). **Price**—\$2.25. **Proceeds**—Repayment of loans and working capital. **Office**—710 N. Fourth Street, Minneapolis, Minn. **Underwriter**—McDonald, Anderson, Peterson & Co., Minneapolis. **Offering**—Imminent.

Brite Universal, Inc. (10/23-27)

July 31, 1961 filed 100,000 common shares and \$1,000,000 of 10% subordinated debentures due 1966 to be offered for public sale and 108,365 common shares to be offered for subscription by stockholders of Brite Universal, Inc. (N. Y.) parent company, on the basis of 2½ shares for each class A and class B shares held. **Price**—By amendment. **Business**—The operation of a consumer finance business in N. Y., N. J., and Pa. **Office**—441 Lexington Avenue, New York City. **Underwriter**—None.

Bronzini, Ltd. (10/23-27)

Aug. 23, 1961 filed 125,000 common. **Price**—\$6. **Business**—The manufacture of men's wear accessories. **Proceeds**—For redemption of the 10% preferred stock, repayment of a loan, expansion and working capital. **Office**—720 Fifth Ave., N. Y. **Underwriter**—A. J. Gabriel & Co., Inc., N. Y.

Bundy Electronics Corp.

Aug. 22, 1961 filed 100,000 common shares. **Price**—\$4. **Business**—The design, development and manufacture of electronic components for space and earth communications. **Proceeds**—For moving expenses, repayment of debt and working capital. **Office**—171 Fabyan Place, Newark. **Underwriters**—Lennher, Covato & Co., Inc., Pittsburgh and Harry Odzer Co., N. Y. (co-mgr.).

Burns (William J.) International Detective Agency, Inc. (10/16-20)

Aug. 22, 1961 filed 175,000 class A common shares. **Price**—By amendment. **Proceeds**—For the selling stockholders. **Office**—101 Park Ave., New York. **Underwriter**—Smith, Barney & Co., Inc., New York (managing).

Burton Mount Corp.

Sept. 22, 1961 filed 100,000 common. **Price**—\$6. **Business**—Importation and distribution of copying machines and supplies. **Proceeds**—Repayment of debt, inventory, sales promotion and other corporate purposes. **Office**—2147 Jericho Turnpike, New Hyde Park, N. Y. **Underwriter**—Reiner, Linburn & Co., N. Y.

Business Growth Funding Corp.

Sept. 20, 1961 filed 100,000 common. **Price**—\$4. **Business**—Making of loans to small business concerns, purchase of machinery for lease, and the providing of manage-

ment counseling. **Proceeds**—For working capital. **Office**—527 Lexington Ave., N. Y. **Underwriter**—Morton Klein & Co., Inc., N. Y.

Cable Carriers, Inc.

March 23, 1961 filed 196,109 shares of capital stock. **Price**—\$1.15. **Business**—The company which began operations in 1954, is engaged in the research and development of special material handling systems for industrial and commercial use based on company-owned patents. **Proceeds**—For working capital. **Office**—Kirk Boulevard, Greenville, S. C. **Underwriter**—To be named.

Caldor, Inc.

July 27, 1961 filed 120,000 common shares. **Price**—\$5. **Business**—The operation of retail discount stores. **Proceeds**—For expansion and working capital. **Office**—69 Jefferson St., Stamford, Conn. **Underwriter**—Irma Haupt & Co., N. Y. (mgr.). **Offering**—Imminent.

California Real Estate Investors

Aug. 17, 1961 filed 1,000,000 shares of beneficial interest. **Price**—\$10. **Business**—Real estate investment. **Office**—12014 Wilshire Blvd., Los Angeles. **Underwriter**—Harnack, Gardner & Co., (same address) (managing).

Cambridge Fund of California, Inc.

Sept. 28, 1961 filed 280,000 common. **Price**—By amendment. **Business**—General real estate. **Proceeds**—Debt repayment and working capital. **Office**—324 E. Bixby Rd., Long Beach, Calif. **Underwriter**—To be named.

Camp Chemical Co., Inc.

Aug. 25, 1961 filed 110,000 capital shares. **Price**—\$3. **Business**—Manufacture of sanitation chemicals. **Proceeds**—Advertising, additional sales personnel, inventories and accounts receivable. **Office**—Second Ave., and 13th St., Brooklyn, N. Y. **Underwriter**—Russell & Saxe, Inc., N. Y. C.

Canbowl Centers Ltd.

Aug. 4, 1961 filed 131,500 common shares to be offered for subscription by stockholders of American Bowling Enterprises, Inc., parent company, on the basis of one share for each four American shares held. **Price**—\$5.50. **Business**—The operation of bowling centers. **Proceeds**—For working capital and the construction and operation of bowling centers. **Office**—100 Wilder Bldg., Rochester, N. Y. **Underwriter**—None.

Cap & Gown Co.

Sept. 21, 1961 filed 192,400 class A common, of which 125,500 are to be offered by the company and 66,900 by stockholders. **Price**—By amendment. **Business**—Manufacture, rental, and sale of graduation caps, gowns, choir robes and related apparel. **Proceeds**—Plant expansion, repayment of debt and other corporate purposes. **Office**—100 N. Market St., Champaign, Ill. **Underwriter**—Kidder, Peabody & Co., Inc., N. Y. **Offering**—In early Dec.

Capitol Research Industries, Inc.

June 28, 1961 filed 165,000 common shares and 75,000 common stock purchase warrants. **Price**—For stock, \$2; for warrants, 20 cents. **Business**—The manufacture of X-ray film processing machines. **Proceeds**—For repayment of loans and working capital. **Office**—4206 Wheeler Avenue, Alexandria, Va. **Underwriter**—None.

Card Key Systems, Inc.

July 28, 1961 ("Reg. A") 60,000 common shares (no par). **Price**—\$5. **Proceeds**—For research and development, advertising equipment and working capital. **Office**—923 S. San Fernando Boulevard, Burbank, Calif. **Underwriter**—Rutner, Jackson & Gray, Inc., Los Angeles. **Offering**—Expected in early November.

Caressa, Inc. (10/17)

Aug. 2, 1961 filed 150,000 common shares, of which 75,000 will be sold by the company and 75,000 by a stockholder. **Price**—By amendment. **Business**—The manufacture of women's shoes. **Proceeds**—The company will use its share of the proceeds for expansion, the repayment of debt and for other corporate purposes. **Office**—5300 N. W. 37th Ave., Miami, Fla. **Underwriter**—Shearson, Hammill & Co., New York (managing).

Carolina Power & Light Co.

Oct. 11, 1961 filed 150,000 common. **Price**—By amendment. **Proceeds**—Debt repayment and expansion. **Office**—336 Fayetteville St., Raleigh, N. C. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y. and R. S. Dickson & Co., Inc., Charlotte, N. C.

Carolina Power & Light Co. (11/16)

Oct. 11, 1961 filed \$25,000,000 first mortgage bonds. **Office**—336 Fayetteville St., Raleigh, N. C. **Underwriters**—(Competitive). Probable bidders: Kidder, Peabody & Co.; Merrill Lynch, Pierce, Fenner & Smith Inc. (jointly); Halsey, Stuart & Co. Inc.; Lehman Brothers and Blyth & Co., Inc. (jointly); Kuhn, Loeb & Co.—Equitable Securities Corp. (jointly); W. C. Langley & Co.—First Boston Corp. (jointly). **Information Meeting**: Nov. 14 (11 a.m. EST) in Room 240, 2 Rector St., N. Y. **Bids**—Expected Nov. 16 at 12 noon.

Cary Chemicals, Inc.

Sept. 27, 1961 filed 1,031,939 common to be offered for subscription by common stockholders and holders of convertible securities at the rate of one new share for each two held. **Price**—By amendment. **Business**—Manufacture of vinyl chloride polymer and copolymer resins, polyvinyl chloride compounds, and polyvinyl chloride sheeting and laminates and polyethylene film. **Proceeds**—For expansion. **Office**—Ryderson Lane, E. Brunswick, N. J. **Underwriters**—Lee Higginson Corp., and P. W. Brooks & Co., N. Y. (mgr.). **Offering**—Expected in Nov.

Casavan Industries, Inc.

Aug. 21, 1961 filed 275,000 capital shares. **Price**—By amendment. **Business**—The production and importation of marble and vitreous mosaic products used in the building construction field. **Proceeds**—For equipment, inventory, leasehold improvements, construction, repayment of loans and general corporate purposes. **Office**—250 Vreeland Ave., Paterson, N. J. **Underwriter**—None.

Catamount, Inc.

Aug. 23, 1961 ("Reg. A") \$30,000 of debentures due Sept. 1, 1976, to be offered in units of \$500. Price—At par. Proceeds—For operation of a ski resort. Address—Egremont, Mass. Underwriter—Kennedy & Peterson, Inc., Hartford, Conn.

Certified Industries, Inc.

Sept. 28, 1961 filed \$750,000 of 6% convertible subordinated debentures due 1976 with attached warrants to purchase 15,000 class A shares to be offered in units (of one \$250 debenture and a warrant to purchase 5 shares) for subscription by holders of class A and class B shares at the rate of one unit for each 50 shares held. Price—\$250 per unit. Business—Production of concrete for construction purposes. Proceeds—For expansion, equipment and working capital. Office—344 Duffy Ave., Hicksville, N. Y. Underwriter—Singer, Bean & Mackie, Inc., N. Y.

Chandler Leasing Corp.

Sept. 26, 1961 filed 143,000 common. Price—By amendment. Business—Leasing of equipment. Proceeds—For the purchase of 20 class A common shares from a director, and working capital. Office—17 Dunster St., Cambridge, Mass. Underwriter—G. H. Walker & Co., N. Y.

Charter Industries, Inc. (10/16-20)

June 22, 1961 filed 100,000 common shares. Price—\$4. Business—The manufacture of molded plastic products. Proceeds—For starting up production and plant expansion. Office—388 Codwise Ave., New Brunswick, N. J. Underwriter—Standard Securities Corp., N. Y. (mgr.)

Church Builders, Inc.

Feb. 6, 1961 filed 50,000 shares of common stock, series 2. Price—\$5.50 per share. Business—A closed-end diversified investment company of the management type. Proceeds—For investment. Office—501 Bailey Avenue, Fort Worth, Texas. Distributor—Associates Management, Inc., Fort Worth, Texas.

Churchill Stereo Corp. (11/6-10)

July 17, 1961 105,000 common shares and 105,000 attached five-year warrants to be offered in units of one share and one warrant. Price—\$3.60 per unit. Business—The manufacture of stereophonic, hi-fidelity, radio and/or television equipment and the operation of six retail stores. Proceeds—For expansion, repayment of loans, working capital and other corporate purposes. Office—200 E. 98th Street, Brooklyn, N. Y. Underwriter—Lieberbaum & Co., New York (managing).

Cinema Syndicate, Inc.

Sept. 6, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Production of motion pictures. Proceeds—Repayment of loans, purchase of equipment and working capital. Office—619 W. 54th St., N. Y. Underwriter—Security Options Corp., N. Y.

Cineque Colorfilm Laboratories, Inc.

Aug. 29, 1961 ("Reg. A") 120,000 common. Price—\$2.50. Business—The production of slides and color film strips. Proceeds—For equipment, sales promotion and advertising. Office—424 E. 89th St., N. Y. Underwriter—Paul Eisenberg Co., N. Y.

Citizens Life Ins. Co. of New York (11/6-10)

Sept. 8, 1961 filed 147,000 common, of which 100,000 will be sold by the company and 47,000 by a stockholder. Price—By amendment. Business—The writing of ordinary life, group life and group credit life insurance. Proceeds—For investment in income producing securities. Office—33 Maiden Lane, N. Y. Underwriter—A. G. Becker & Co., N. Y. (mgr.).

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NEW ISSUE CALENDAR**October 16 (Monday)**

A & E Plastik Pak Co., Inc. Common
(Bialack & Co., Inc.; Harbison & Henderson; May & Co. and Wheeler & Cruttenden, Inc.) \$300,000
Abby Vending Manufacturing Corp. Common
(L. H. Wright & Co., Inc.) \$300,000
Acratex Chemical Coatings, Inc. Common
(Tyne Securities Inc.) \$299,700
Alson Manufacturing Co. Common
(Albion Securities Co., Inc.) \$300,000
American Precision Industries, Inc. Common
(Eastman Dillon, Union Securities & Co.) 158,000 shares
American Self-Service Stores, Inc. Common
(Scherck, Richter Co.) 100,000 shares
Babcock Electronics Corp. Capital
(Blyth & Co. and Schwabacher & Co.) 300,000 shares
Black & Decker Manufacturing Corp. Common
(Eastman Dillon, Union Securities & Co.) 120,000 shares
Burns (William J.) International Common
(Smith, Barney & Co., Inc.) 175,000 shares
Charter Industries, Inc. Common
(Standard Securities Corp.) \$400,000
Cle-Ware Industries, Inc. Common
(Westheimer & Co.) 195,000 shares
Cosnat Record Distributing Corp. Common
(Amos Treat & Co.) 150,000 shares
Crossway Motor Hotels, Inc. Common
(Candee & Co.) \$350,000
Dynamic Gear Co., Inc. Common
(Flomenhaft, Seidler & Co., Inc.; Lomasney, Loving & Co.) \$375,000
Electra International, Ltd. Capital
(Ezra Kureen Co.) 70,000 shares
First Union Realty Ben. Ints.
(Harriman Ripley & Co. and Hayden, Miller & Co.) 1,060,000 shares
Fleetwood Securities Corp. of America Common
(General Securities Co., Inc.) \$700,000
Fotochrome Inc. Common
(Shearson, Hammill & Co. and Emanuel, Deetjen & Co.) 262,500 shares
Fotochrome Inc. Debentures
(Shearson, Hammill & Co. and Emanuel, Deetjen & Co.) \$3,500,000
General Plastics Corp. Common
(Ehrlich, Irwin & Co.) \$300,000
Jefferson Counsel Corp. Common
(No underwriting) \$300,000
Kent Washington, Inc. Common
(Hodgdon & Co., Inc.) \$1,000,000
Lewis (Tillie) Foods, Inc. Common
(Van Alstyne, Noel & Co.) 400,000 shares
Liverpool Industries, Inc. Common
(Arden Perlin & Co., Inc.) \$299,950
Lum's, Inc. Class A
(Bayes, Rose & Co., Inc.) \$100,000
MacLevy Associates, Inc. Common
(Continental Bond & Share Corp.) \$300,000
Magna Pipe Line Co., Ltd. Common
(Bear, Stearns & Co. and W. C. Pitfield & Co.) 750,000 shs.
Micro-Precision Corp. Common
(Manufacturers Securities Corp.; Bloren & Co.; Boenning & Co.; Chace, Whiteside & Winslow, Inc.; Draper, Sears & Co.; Schirmer, Atherton & Co.) \$300,000
Monmouth Capital Corp. Capital
(Meade & Co.) \$2,000,000
Mortgage Guaranty Insurance Co. Common
(Bache & Co.) 155,000 shares
Movie Star, Inc. Class A
(Milton D. Blauner & Co., Inc.) 200,000 shares
New Era Mining Co. Common
(Bullock Securities Co.) \$400,000
Pioneer Astro Industries, Inc. Common
(Francis I. du Pont & Co.) 150,000 shares
Premier Albums, Inc. Common
(Glantz & Co.) \$300,000
Real Properties Corp. of America Class A
(Stanley Heller & Co.) \$3,650,000
Rodney Metals, Inc. Common
(Amos Treat & Co. Inc.) \$1,400,000
Sav-Tax Club, Inc. Common
(B. G. Harris & Co., Inc.) \$300,000
Thermionix Industries Corp. Common
(D. L. Capas Co.) \$330,000
Thoroughbred Enterprises, Inc. Common
(Sandkuhl & Co., Inc.) \$340,000
Tri Metal Works, Inc. Common
(Offering to stockholders—underwritten by R. L. Scheinman & Co.) 68,000 shares
United Improvement & Investing Corp. Debens.
(Offering to stockholders—underwritten by Sutro Bros. & Co.) \$2,500,000
Universal Surgical Supply Inc. Common
(Dempsey-Tegeler & Co., Inc.) 200,000 shares
Vol-Air, Inc. Common
(Glass & Ross, Inc.) \$240,000

October 17 (Tuesday)

American Distilling Co. Debentures
(Offering to stockholders—underwritten by Blyth & Co., Inc.) \$9,551,900
American Heritage Publishing Co., Inc. Common
(White, Weld & Co.) 140,000 shares
Automated Building Components, Inc. Common
(Winslow, Cohu & Stetson and Laird, Bissell & Meeds) 100,000 shares
Caressa, Inc. Common
(Shearson, Hammill & Co.) 150,000 shares
Intercontinental Dynamics Corp. Common
(M. H. Woodhill Inc.) \$300,000
Northern Natural Gas Co. Common
(Offering to stockholders—underwritten by Blyth & Co.) 430,000 shares
Oklahoma Cement Co. Debentures
(Eastman Dillon, Union Securities & Co.) \$3,000,000
Panoramic Electronics, Inc. Common
(Hayden, Stone & Co.) 120,000 shares
Public Service Electric & Gas Co. Debentures
(Bids 11 a.m. EDST) \$50,000,000
Robins Industries Corp. Common
(Carroll Co.) \$250,000
Stouffer Corp. Debentures
(Merrill Lynch, Pierce, Fenner & Smith Inc.) \$7,500,000
Water Industries Capital Corp. Common
(Hornblower & Weeks) \$8,250,000
Zep Aero Common
(Francis J. Mitchell & Co., Inc.) 50,000 shares

October 18 (Wednesday)

Georgia Power Co. Preferred
(Bids 11 a.m. EDST) \$7,000,000
Georgia Power Co. Bonds
(Bids noon EDST) \$10,000,000
Interstate Fire & Casualty Co. Common
(White, Weld & Co.) 100,000 shares
Wisconsin Natural Gas Co. Bonds
(Bids 11:30 a.m. EDST) \$4,000,000

October 20 (Friday)

Empire Precision Components, Inc. Class A
(Ezra Kureen Co.) \$260,000

October 23 (Monday)

AMT Corp. Common
(A. G. Becker & Co.) 230,000 shares
Ace Trophies Corp. Common
(Ezra Kureen Co.) \$200,000
Airtronics International Corp. of Florida Common
(Stein Bros. & Boyce and Vickers, MacPherson & Warwick, Inc.) 199,000 shares
All Star World Wide, Inc. Debentures
(Alessandrini & Co., Inc. and Hardy & Hardy) \$250,000
Associated Products, Inc. Common
(Allen & Co. and A. C. Allyn & Co.) \$6,103,000
Atmotron, Inc. Common
(J. P. Penn & Co., Inc.) \$172,500
Bloomfield Building Industries, Inc. Common
(Lieberbaum & Co.) \$1,500,000
Brite Universal, Inc. Common
(No underwriting) 100,000 shares
Brite Universal, Inc. Common
(Offering to stockholders—no underwriting) 108,365 shares
Brite Universal, Inc. Debentures
(Offering to stockholders—no underwriting) \$1,000,000
Bronzini, Ltd. Common
(A. J. Gabriel & Co., Inc.) \$750,000
Commonwealth Theatres of Puerto Rico, Inc. Com.
(J. R. Williston & Beane) \$1,000,000
Consumers Utilities Corp. Common
(Golkin, Bomback & Co.) 302,000 shares
Continental Vending Machine Corp. Debentures
(Offering to stockholders—underwritten by Hardy & Co.) \$5,052,700
Cromwell Business Machines, Inc. Common
(Pacific Coast Securities Co.) \$300,000
Executive Equipment Corp. Common
(Reich & Co. and Jacques Coe & Co.) \$400,000
FM-Stereo Guide, Inc. Common
(Valley Forge Securities Co., Inc.) \$300,000
Family Finance Corp. Debentures
(Goldman, Sachs & Co.) \$25,000,000
General Kinetics, Inc. Common
(Balogh & Co., Inc. and Irving J. Rice & Co., Inc.) 200,000 shares
Growth Properties Common
(Pacific Coast Securities Co.) 100,000 shares
Hannett Industries, Inc. Common
(Albion Securities Co., Inc.) \$300,000
Happy House, Inc. Common
(No underwriting) \$700,000
Hawthorne Financial Corp. Capital
(Crowell, Weedon & Co.) 33,117 shares
International Flavors & Fragrances, Inc. Com.
(Smith, Barney & Co., Inc.) 514,432 shares
Kaufman & Broad Building Co. Common
(Bache & Co.) 174,500 shares

Keystone Steel & Wire Co. Debentures
(Hornblower & Weeks and Eastman Dillon, Union Securities & Co.) \$20,000,000

Lortogs, Inc. Common
(Reich & Co.) \$1,300,000

Mairs & Power Income Funds. Common
(None) 40,000 shares

Marshall Industries Common
(William R. Staats & Co. and Shearson, Hammill & Co.) 131,305 shares

Middle Atlantic Credit Corp. Units
(R. L. Scheinman & Co. and A. W. Benkert & Co., Inc.) \$300,000

Middle Atlantic Investment Co. Common
(Best & Garey Co., Inc.) \$700,000

Midwest Technical Development Corp. Common
(Lee Higginson Corp. and Piper, Jaffray & Hopwood) 800,000 shares

Miner Industries, Inc. Common
(Golkin, Bomback & Co. and Oppenheimer & Co.) \$540,000

Mobile Estates, Inc. Common
(Harry Odzer Co.) \$840,000

Motor Coils Manufacturing Co. Common
(Golkin, Bomback & Co.) \$650,000

National Semiconductor Corp. Capital Stock
(Lee Higginson Corp.) 75,000 shares

Nuclear Corp. of America Capital
(Bear, Stearns & Co.) 536,280 shares

Nuclear Corp. of America Debentures
(Bear, Stearns & Co.) \$2,087,800

Orbit Instrument Corp. Capital
(Hardy & Co.) \$400,000

Regal Homes, Inc. Capital
(J. J. B. Hillard & Sons) \$612,000

Semicon, Inc. Common
(S. D. Fuller & Co.) 125,000 shares

Southern Growth Industries, Inc. Common
(Capital Securities Corp.) \$600,000

Southwestern Research & Development Co. Com.
(Wilson, Johnson & Higgins) \$6,000,000

Tor Education, Inc. Capital
(F. L. Rossman & Co.) 100,000 shares

Tri-Chem, Inc. Units
(P. W. Brooks & Co., Inc.) 3,500 units

Tri-State Displays, Inc. Common
(Naftalin & Co.) \$299,000

Wonderbowl, Inc. Common
(Standard Securities Corp.) \$300,000

World Wide Bowling Enterprises, Inc. Common
(Fraser & Co.) \$520,000

October 24 (Tuesday)

American Automatic Vending Corp. Common
(McDonald & Co.) 2,000,000 shares
Anderson New England Capital Corp. Common
(Putnam & Co.) 400,000 shares
Beam-Matic Hospital Supply, Inc. Common
(First Weber Securities Corp.) \$300,000
Girder Process, Inc. Common
(Winslow, Cohu & Stetson) \$422,000
Niagara Mohawk Power Co. Bonds
(Bids to be received) \$40,000,000
Niagara Mohawk Power Co. Common
(Bids to be received) 700,000 shares

October 25 (Wednesday)

Cowles Magazines & Broadcasting, Inc. Capital
(Goldman, Sachs & Co.) 350,000 shares
New England Power Co. Bonds
(Bids 11 a.m. EDST) \$20,000,000
New Zealand (Government of) Bonds
(Kidder, Peabody & Co.) \$15,000,000
Pickwick International, Inc. Common
(William, David & Mottl, Inc.) \$300,000

October 27 (Friday)

Piedmont Natural Gas Co., Inc. Common
(White, Weld & Co., N. Y.) 126,832 shares

October 30 (Monday)

Aero-Dynamics Corp. Common
(Cambridge Securities, Inc. and Edward Lewis Co., Inc.) \$500,000
Atlantic Improvement Corp. Common
(Bear, Stearns & Co. and Finkle & Co.) 150,000 shares
Columbian Bronze Corp. Common
(H. M. Frumkes & Co.) \$750,000
Dressen-Barnes Electronics Corp. Capital
(Lester, Ryons & Co.) 100,000 shares
Dynamic Toy, Inc. Common
(Hancock Securities Corp.) \$243,000
Electra-Tronics, Inc. Common
(Jay Morton & Co., Inc.) \$180,000
Energy Components Corp. Common
(Albion Securities Co., Inc.) \$175,000

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Cle-Ware Industries, Inc. (10/16)

July 25, 1961 filed 195,000 common shares of which 160,000 shares are to be offered by the company and 35,000 shares by stockholders. **Price**—By amendment. **Business**—The wholesaling of parts, chemicals and accessories related to the automotive and marine fields. **Proceeds**—For repayment of loans, working capital and other corporate purposes. **Office**—10604 St. Clair Ave., Cleveland. **Underwriter**—Westheimer & Co., Cincinnati.

Clute (Francis H.) & Son, Inc. (12/4-8)

July 3, 1961 filed 1,000,000 common shares. **Price**—\$1.50. **Business**—The manufacture of farm and industrial equipment. **Proceeds**—For materials and inventory, research and development and working capital. **Office**—1303 Elm St., Rocky Ford, Colo. **Underwriter**—Stone, Altman & Co., Inc., Denver.

Cole Vending Industries, Inc.

Aug. 28, 1961 filed 115,000 common. **Price**—By amendment. **Business**—The manufacture, sale and servicing of vending machines. **Proceeds**—For working capital. **Office**

—560 W. Lake St., Chicago. **Underwriter**—Straus, Blosser & McDowell, Chicago (mgr.).

Coleco Industries, Inc.

Sept. 26, 1961 filed 120,000 common, of which 12,000 shares will be offered by the company and 108,000 by stockholders. **Price**—By amendment. **Business**—Manufactures plastic toys, play pools, toy boats and houses, and games. **Proceeds**—For plant expansion and working capital. **Office**—75-77 Windsor St., Hartford, Conn. **Underwriter**—Cooley & Co., Hartford, Conn.

Collier Acres, Inc.

Sept. 26, 1961 ("Reg. A") 125,000 common. **Price**—\$1. **Business**—General real estate. **Proceeds**—Purchase of land, advertising and promotion and working capital. **Office**—927 Lincoln Rd., Miami Beach, Fla. **Underwriter**—D. Klapper Associates, Inc., Miami Beach, Fla.

Columbia Research Group

June 20, 1961 filed 5,000,000 preferred shares (par one cent). **Price**—\$1. **Business**—The production of religious and educational phonograph records. **Proceeds**—For general corporate purposes. **Office**—3600 Market Street, Salt

Lake City, Utah. **Underwriter**—None. **Note**—This statement was withdrawn.

Columbian Bronze Corp. (10/30-11/3)

July 13, 1961 filed 150,000 common shares. **Price**—\$5. **Business**—The manufacture of marine propellers and electronic equipment, hydraulic products and metal furniture. **Proceeds**—For repayment of loans and expansion. **Office**—216 N. Main St., Freeport, N. Y. **Underwriter**—H. M. Frumkes & Co., N. Y.

Columbus & Southern Ohio Electric Co.

Oct. 10, 1961 filed 148,640 common. **Price**—By amendment. **Proceeds**—For debt repayment. **Office**—215 N. Front St., Columbus, Ohio. **Underwriters**—Dillon, Read & Co., Inc., N. Y. and The Ohio Co., Columbus, Ohio.

Combined Insurance Co. of America

Aug. 25, 1961 filed 300,000 common. **Price**—By amendment. **Proceeds**—For the selling stockholders. **Business**—The writing of accident and health insurance. **Office**—5050 B'way, Chicago. **Underwriter**—Smith, Barney & Co., N. Y. **Offering**—Expected sometime in November.

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First National Realty & Construction Corp.—Debs.
(H. Hentz & Co.) \$3,000,000

First Western Financial Corp.—Common
(A. C. Allyn & Co.) 450,000 shares

Guy's Foods, Inc.—Common
(Allen & Co.) \$970,000

Hamilton Electro Corp.—Common
(William Noron Co.) \$1,012,500

Hoffman International Corp.—Debentures
(Offering to stockholders underwritten by J. R. Williston & Beane) \$1,890,700

Hogan Faximile Corp.—Common
(William R. Staats & Co.) 300,000 shares

International Housing Corp.—Common
(Bratton & Co., Inc.) \$505,000

Lincoln Liberty Life Insurance Co.—Common
(Bache & Co., N. Y.) 200,000 shares

Monmouth Electric Co., Inc.—Common
(Cruttenden, Podesta & Co. and Spear, Leeds & Kellogg) \$1,200,000

Monmouth Electric Co., Inc.—Common
(Cruttenden, Podesta & Co. and Spear, Leeds & Kellogg) \$1,200,000

National Hospital Supply Co.—Common
(Edward Lewis Co., Inc. and Underhill Securities Corp.) \$300,000

Orbit Industries, Inc.—Common
(Hodgdon & Co., Inc.) \$500,000

Pavelle Corp.—Common
(Bear, Stearns & Co.) 200,000 shares

Raymond Engineering Laboratory, Inc.—Common
(Lee Higginson Corp.) 100,000 shares

Ro Ko, Inc.—Common
(Midland Securities Co., Inc. and George K. Baum & Co.) \$500,000

Southern Realty & Utilities Corp.—Units
(Hirsch & Co. and Lee Higginson Corp.) 6,280 units

Star Homes, Inc.—Units
(D. E. Liederman & Co., Inc.) \$1,000,000

Star Industries, Inc.—Class A
(Lee Higginson Corp. and H. Hentz & Co.) 415,576 shares

Supronics Corp.—Common
(Amos Treat & Co. Inc.; Standard Securities Corp. and Bruno-Lenchner Inc.) 90,000 shares

Techno-Vending Corp.—Common
(International Services Corp.) \$300,000

Trans-Lux Corp.—Common
(Bear, Stearns & Co.) 250,000 shares

United Scientific Laboratories, Inc.—Common
(Continental Bond & Share Corp.) \$720,000

Voron Electronics Corp.—Class A
(John Joshua & Co., Inc. and Reuben Rose & Co.) \$300,000

Wards Co., Inc.—Common
(Stein Eros & Boyce) 110,000 shares

October 31 (Tuesday)

Chicago, Burlington & Quincy—Equip. Trust Cffs.
(Bids to be received) \$2,400,000

Dunlap & Associates, Inc.—Common
(Dominick & Dominick Inc.) 75,000 shares

November 1 (Wednesday)

Automated Sports Centers, Inc.—Units
(Holton, Henderson & Co.) \$1,750,000

Idaho Power Co.—Common
(Underwriters to be named) 200,000 shares

Idaho Power Co.—Bonds
(Bids to be received) \$10,000,000

Old Empire, Inc.—Debentures
(Laird, Bissell & Meeds) \$800,000

November 2 (Thursday)

Atlantic City Electric Co.—Common
(Eastman Dillon, Union Securities & Co. and Smith, Barney & Co.) 200,000 shares

Kent Dry Cleaners, Inc.—Common
(Arnold Malkin & Co., Inc.) \$825,000

Pittsburgh Steel Co.—Common
(Offering to stockholders—underwritten by Kuhn, Loeb & Co., Inc.) 1,110,617 shares

November 6 (Monday)

Air Master Corp.—Common
(Francis I. du Pont & Co.) 200,000 shares

Albert Voigt Industries, Inc.—Common
(David Barnes & Co., Inc.) \$320,000

American Finance Co., Inc.—Units
(Lomasney, Loving & Co.) \$1,250,000

Arista Truck Renting Corp.—Common
(No underwriting) \$500,000

Avemco Finance Corp.—Common
(Sterling, Grace & Co. and Rouse, Brewer, Becker & Bryant, Inc.) 200,000 shares

Cap & Gown Co.—Class A
(Klapper, Peabody & Co.) 192,400 shares

Churchill Stereo Corp.—Units
(Lieberbaum & Co.) \$378,000

Citizens Life Insurance Co. of New York—Common
(A. G. Becker & Co.) 147,000 shares

Electro-Miniatures Corp.—Common
(Burnham & Co.) \$300,000

Fashion Homes Inc.—Common
(Globus, Inc. and Ross, Lyon & Co., Inc.) \$244,800

Fashion Homes Inc.—Units
(Globus, Inc. and Ross, Lyon & Co., Inc.) \$1,000,000

Foods Plus, Inc.—Common
(Shearson, Hammill & Co.) 150,000 shares

Growth, Inc.—Common
(Mann & Creasy) \$300,000

Handschy Chemical Co.—Common
(Blunt Ellis & Simmons) 150,000 shares

Ihnen (Edward H.) & Son, Inc.—Common
(Amos Treat & Co. Inc.) \$375,000

Jayark Films Corp.—Common
(Pacific Coast Securities Co.) 72,000 shares

Longs Drug Stores, Inc.—Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 190,000 shares

Magazines for Industry, Inc.—Common
(S. D. Fuller & Co.) 135,000 shares

Natpac Inc.—Common
(William, David & Mott, Inc. and Flomenhaft, Seidler & Co., Inc.) \$475,000

Oceanic Instruments, Inc.—Common
(Globus, Inc.) \$140,000

Pan-Alaska Fisheries, Inc.—Common
(Robert L. Ferman & Co.) 120,000 shares

Photo-Animation, Inc.—Common
(First Philadelphia Corp.) \$187,500

Precision Microwave Corp.—Common
(Peter Morzan & Co.) \$1,650,000

Product Research of R. I., Inc.—Common
(Continental Bond & Share Corp.) \$676,500

Publishers Co., Inc.—Debentures
(Roth & Co., Inc.) \$1,200,000

Realtone Electronics Corp.—Common
(Lieberbaum & Co.) \$400,000

Rexach Construction Co.—Common
(P. W. Brooks & Co., Inc. and CIA Financiera de Inversiones, Inc.) \$2,000,000

Russ Togs, Inc.—Class A
(Shearson, Hammill & Co.) 107,571 shares

Telecredit, Inc.—Common
(Globus, Inc.) \$155,000

Thermo-Chem Corp.—Common
(Best & Garey Co., Inc.) \$585,000

Valley Title & Trust Co.—Common
(Louis R. Dreyling & Co.) \$600,000

Vendotronics Corp.—Common
(B. G. Harris & Co., Inc.) \$300,000

November 13 (Monday)

All Star World Wide, Inc.—Common
(Alessandrini & Co., Inc. and Hardy & Hardy) \$750,000

Alpine Geophysical Associates, Inc.—Common
(S. D. Fuller & Co.) 150,000 shares

Apex Thermoplastics, Inc.—Common
(Continental Bond & Share Corp.) \$330,000

Electronic Communications, Inc.—Common
(Laird & Co., Corp.) 150,000 shares

Electronic International, Inc.—Common
(Theodore Arrin & Co., Inc.) \$260,000

Floyd Bennett Stores, Inc.—Common
(Goodkind, Neufeld, Jordan Co., Inc. and Richter & Co.) 100,000 shares

Fram Corp.—Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 50,000 shares

Lido Corp.—Common
(Flomenhaft, Seidler & Co.) \$273,000

Lusk Corp.—Units
(Burnham & Co.) 50 units

Marlene Industries Corp.—Common
(Bernard M. Kahn & Co., Inc.) \$1,575,000

Westland Capital Corp.—Common
(Bear, Stearns & Co.) \$10,840,500

November 14 (Tuesday)

Rochester Gas & Electric Corp.—Bonds
(Bids 11 a. m. EST) \$15,000,000

Southern Railway Co.—Equip. Trust Cffs.
(Bids to be received) \$4,200,000

Wisconsin Michigan Power Co.—Bonds
(Bids to be received) \$4,000,000

November 15 (Wednesday)

Acro Electronic Products Co.—Common
(Roth & Co., Inc.) \$400,000

Consolidated Chemical & Paint Corp.—Units
(Armstrong & Co. and L. C. Weard & Co.) \$550,000

Dallas Power & Light Co.—Preferred
(Bids 11 a. m. EST) \$10,000,000

Kendall Industries, Inc.—Common
(Currier & Carlsen, I. c.) \$600,000

Pacific Northwest Bell Telephone Co.—Debentures
(Bids 11 a. m. EST) \$50,000,000

November 16 (Thursday)

Carolina Power & Light Co.—Bonds
(Bids to be received) \$25,000,000

November 20 (Monday)

Electronics Discovery Corp.—Common
(Globus, Inc.) \$150,000

Executive House, Inc.—Units
(Bear, Stearns & Co. and Straus, Blosser & McDowell Co.) 200,000 units

Fairfield Controls, Inc.—Common
(First Philadelphia Corp. and Lieberbaum & Co.) \$150,000

Lincoln Fund, Inc.—Common
(Horizon Management Corp.) 951,799 shares

Lunar Enterprises, Inc.—Common
(Khalich, Irwin & Co., Inc.) \$718,750

National Bowling Lanes, Inc.—Capital
(Edward Lewis Co., Inc.) \$825,000

Originala Inc.—Common
(Globus, Inc. and Divine & Fishman, Inc.) \$1,387,500

Pako Corp.—Common
(Paine, Webber, Jackson & Curtis) 150,000 shares

Rocket Power, Inc.—Common
(Paine, Webber, Jackson & Curtis) 200,000 shares

Space Age Materials Corp.—Common
(Manufacturers Securities Corp.) \$300,000

Valley Gas Production, Inc.—Common
(White, Weld & Co.) 191,000 shares

November 21 (Tuesday)

Consolidated Edison Co. of New York, Inc.—Bonds
(Bids 11 a. m. EDT) \$50,000,000

Gibraltar Financial Corp. of California—Debentures
(White, Weld & Co. and Dean Witter & Co.) \$5,500,000

November 27 (Monday)

Sav-Mor Oil Corp.—Common
(Armstrong & Co. Inc.) \$230,000

November 29 (Wednesday)

Swift Homes, Inc.—Common
(Eastman Dillon, Union Securities & Co.) 240,000 shares

December 4 (Monday)

Clute (Francis H.) & Son, Inc.—Common
(Stone, Altman & Co., Inc.) \$1,500,000

Electro-Mec Instrument Corp.—Common
(Sterling, Grace & Co.) \$1,058,880

December 5 (Tuesday)

Sel-Rex Corp.—Common
(Eastman Dillon, Union Securities & Co.) 200,000 shares

December 11 (Monday)

General Telephone Co. of California—Bonds
(Bids to be received) \$20,000,000

December 18 (Monday)

Mercury Photo Corp.—Class A
(General Securities Co.) \$500,000

December 20 (Wednesday)

Rubber & Fibre Chemical Corp.—Common
(Armstrong & Co., Inc.) \$600,000

January 4, 1962 (Thursday)

Gluckin (Wm.) Co., Ltd.—Common
(Globus, Inc.) \$1,750,000

January 9, 1962 (Tuesday)

New York Telephone Co.—Bonds
(Bids to be received) \$60,000,000

March 5, 1962 (Monday)

West Penn Power Co.—Bonds
(Bids to be received) \$25,000,000

Commonwealth Theatres of Puerto Rico, Inc. (10/23-27)

July 28, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—\$10. **Business**—The operation of a chain of theatres in Puerto Rico. **Proceeds**—For construction of a drive-in movie theatre, building renovations and general corporate purposes. **Address**—Santurce, Puerto Rico. **Underwriter**—J. R. Williston & Beane, New York (managing).

Community Charge Plan

Sept. 22, 1961 filed \$3,600,000 of 6% subordinated debentures due 1976 (with attached warrants to purchase 72,000 common shares) and 216,000 common, to be offered in units consisting of a \$100 debenture (and a warrant to purchase two shares) and six common shares. **Price**—By amendment. **Business**—The purchase at a discount from merchant-members, their accounts receivable arising from customers who hold credit cards issued by these members. **Proceeds**—To repay debt and increase working capital. **Office**—10 Banta Place, Hackensack, N. J. **Underwriter**—Troster, Singer & Co., N. Y.

Computron Corp.

Sept. 15, 1961 filed 500,000 common. **Price**—\$1.15. **Business**—Research, development, design and production of electronic automation devices. **Proceeds**—For equipment, research and development and working capital. **Office**—9330 James Ave., South, Minneapolis. **Underwriter**—Brandtjen & Bayliss, Inc., St. Paul, Minn.

Consolidated Aerosol Corp.

Sept. 29, 1961 ("Reg. A") 70,000 common. **Price**—\$3. **Business**—Compounds and packages cosmetics, household pharmaceutical and industrial products. **Proceeds**—For debt repayment, equipment and working capital. **Office**—107 Sylvester St., Westbury, N. Y. **Underwriter**—J. E. Bayard & Co., Inc., 80 Wall St., New York City.

Consolidated Bowling Corp.

Sept. 28, 1961 filed 200,000 common. **Price**—By amendment. **Business**—Operation of bowling centers. **Proceeds**—For expansion and working capital. **Office**—880 Military Rd., Niagara Falls, N. Y. **Underwriter**—Doolittle & Co., Buffalo, N. Y.

Consolidated Chemical & Paint Corp. (11/15)

Aug. 29, 1961 filed \$275,000 of 6½% subordinated convertible debentures due 1968 and 68,750 common to be offered in units consisting of \$100 of debentures and 25 common. **Price**—\$200 per unit. **Business**—The company manufactures from oil, chemicals and pigments, diverse basic paint lines. **Proceeds**—For retirement of outstanding 6% debentures, repayment of debt and working capital. **Office**—456 Driggs Ave., Brooklyn, N. Y. **Underwriters**—Armstrong & Co., N. Y., and L. C. Wegard & Co., Trenton, N. J.

Consolidated Vending Corp.

Aug. 29, 1961 filed \$150,000 of 6% debentures due 1971 and 50,000 common to be offered in units each consisting of \$150 of debentures and 50 common. **Price**—\$400 per unit. **Business**—The operation of vending machines. **Proceeds**—For repayment of loans, new equipment and working capital. **Office**—129 S. State St., Dover, Del. **Underwriter**—William, David & Motti, Inc., N. Y. C.

Consumers Utilities Corp. (10/23-27)

July 27, 1961 filed 302,000 common to be offered for subscription by stockholders of Mobilife Corp., of Bradenton, Fla., parent company, on the basis of 3 Consumers shares for each 5 Mobilife shares held. **Price**—By amendment. **Business**—Acquisition, construction and operation of water-treatment and sewage-disposal plants in suburban areas of Florida. **Proceeds**—For the selling stockholder (Mobilife Corp.). **Office**—Sarasota, Fla. **Underwriter**—Golkin, Bomback & Co., N. Y.

Continental Baking Co.

Oct. 10, 1961 filed \$13,200,000 of subord. conv. debentures due 1983 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 15 shares held. **Price**—By amendment. **Business**—Baking and selling of bread, cakes and related products. **Proceeds**—For debt repayment and construction. **Address**—P. O. Box 731, Rye, N. Y. **Underwriters**—Wertheim & Co., Lehman Brothers and Equitable Securities Corp., N. Y.

Continental Leasing Corp.

June 19, 1961 ("Reg. A") 100,000 common shares (par one cent). **Price**—\$3. **Proceeds**—For purchase of new automobiles, advertising and promotion, and working capital. **Office**—527 Broad St., Sewickley, Pa. **Underwriter**—H. B. Crandall Co. and Cambridge Securities, Inc., N. Y. **Offering**—Expected late October.

Continental Real Estate Investment Trust

Aug. 3, 1961 filed 300,000 shares of beneficial interest. **Price**—\$10. **Business**—Real estate. **Proceeds**—For investment. **Office**—530 St. Paul Place, Baltimore. **Underwriter**—F. Baruch & Co., Inc., Washington, D. C. (managing).

Continental Vending Machine Corp. (10/23-27)

Aug. 11, 1961 filed \$5,052,700 of 6% convertible subordinated debentures due 1976, to be offered for subscription by stockholders on the basis of \$100 of debentures for each 80 common shares held. **Price**—By amendment. **Business**—The manufacturing of vending machines. **Proceeds**—For repayment of loans and working capital. **Office**—956 Brush Hollow Road, Westbury, L. I., N. Y. **Underwriter**—Hardy & Co., New York (managing).

Control Lease Systems, Inc.

July 21, 1961 ("Reg. A") 225,000 common. **Price**—\$1.15. **Proceeds**—For equipment, research and development and capital expenditures. **Office**—3386 Brownlow Ave., St. Louis Park, Minn. **Underwriters**—M. H. Bishop & Co., and J. P. Penn & Co., Inc., Minneapolis. **Offering**—Imminent.

Cooke Engineering Co.

Sept. 12, 1961 filed 32,000 common. **Price**—\$11. **Business**—The manufacture of electronic products and the furnishing of engineering services. **Proceeds**—For equipment, new products, sales promotion and working capital. **Office**—735 N. St. Asaph St., Alexandria, Va. **Underwriter**—Jones, Kreeger & Co., Washington, D. C.

Corrigan Communications, Inc.

Sept. 28, 1961 filed 375,000 common. **Price**—\$2. **Business**—Development and sale of tutorial electronics communications systems for use in individual class rooms. **Proceeds**—To repay loans, purchase machinery, and increase working capital. **Office**—1111 E. Ash Ave., Fullerton, Calif. **Underwriter**—D. E. Liederman & Co., Inc., N. Y. and Mitchum, Jones & Templeton, Los Angeles.

Cosmetically Yours, Inc.

Aug. 23, 1961 filed 42,500 common. **Price**—\$4. **Business**—The manufacture of cosmetics. **Proceeds**—For repayment of a loan, advertising, equipment, inventory, research and development and working capital. **Office**—15 Clinton St., Yonkers, N. Y. **Underwriter**—P. J. Gruber & Co., Inc., N. Y.

Cosnat Record Distributing Corp. (10/16-20)

May 26, 1961 filed 150,000 shares of common stock, of which 105,556 shares are to be offered for public sale by the company and 44,444 outstanding shares by the present holders thereof. **Price**—To be supplied by amendment. **Business**—The manufacture and distribution of phonograph records. **Proceeds**—For the repayment of debt, and working capital. **Office**—315 W. 47th St., N. Y. **Underwriter**—Amos Treat & Co., N. Y. C. (mgr.)

Cowles Magazines & Broadcasting, Inc. (10/25)

Aug. 30, 1961 filed 350,000 capital shares. **Price**—By amendment. **Business**—The publication of "Look" magazine, the sale of subscriptions to other magazines and the operation of TV and radio stations. **Proceeds**—For general corporate purposes. **Office**—488 Madison Ave., N. Y. **Underwriter**—Goldman, Sachs & Co., N. Y. C.

Coyle's Voting Machine Co.

Aug. 31, 1961 ("Reg. A") 10,000 common. **Price**—\$14.75. **Business**—The sale of punch card type voting machines. **Office**—830 High St., Hamilton, O. **Underwriter**—John A. Kemper & Co., Lima, O.

Cramer Electronics, Inc.

July 27, 1961 filed 150,000 common shares, of which 107,250 shares are to be offered by the company and 42,750 shares by the stockholders. **Price**—By amendment. **Business**—The distribution of electronic components and equipment. **Proceeds**—For repayment of loans, inventory and working capital. **Office**—811 Boylston St., Boston. **Underwriter**—Carl M. Loeb, Rhoades & Co., N. Y. (mgr.)

Cromwell Business Machines, Inc. (10/23-27)

Aug. 1, 1961 ("Reg. A") 100,000 common shares (par 50 cents). **Price**—\$3. **Proceeds**—For repayment of loans, machinery, leasehold improvements, advertising and working capital. **Office**—7451 Coldwater Canyon Avenue, North Hollywood, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco.

Crossway Motor Hotels, Inc. (10/16-20)

Aug. 4, 1961 filed 70,000 common shares. **Price**—\$5. **Business**—The operation of a motor hotel chain. **Proceeds**—For acquisition, expansion and the repayment of debt. **Office**—54 Tarrytown Rd., White Plains, N. Y. **Underwriter**—Candee & Co., New York.

Dallas Power & Light Co. (11/15)

Oct. 3, 1961 filed 100,000 cum. preferred shares. **Proceeds**—For debt repayment and construction. **Office**—1506 Commerce St., Dallas, Tex. **Underwriters**—(Competitive). Probable bidders: White, Weld & Co.—Equitable Securities Corp. (jointly); Eastman Dillon, Union Securities & Co.; Lehman Brothers; Blyth & Co., Inc.; Harriman Ripley & Co., Inc.—Kidder, Peabody & Co. (jointly); First Boston Corp. **Bids**—Expected Nov. 15 at 11 a.m. (EST). **Information Meeting**—Nov. 13 (11 a.m. EST) at 2 Rector St., N. Y. (Room 240).

Da'a-Design Laboratories, Inc.

Oct. 9, 1961 filed 100,000 capital shares. **Price**—By amendment. **Business**—Publishing of technical reports and manuals covering electronic equipment. **Proceeds**—For debt repayment and working capital. **Office**—445 E. California St., Ontario, Calif. **Underwriter**—Morgan & Co., Los Angeles.

Deere & Co.

Oct. 11, 1961 filed \$35,000,000 of debentures, due Nov. 1, 1986. **Price**—By amendment. **Business**—Manufactures agricultural implements. **Proceeds**—For debt repayment. **Office**—1325 Third Ave., Moline, Ill. **Underwriter**—Harriman Ripley & Co., Inc., N. Y.

Delaware Barrel & Drum Co., Inc.

Sept. 26, 1961 filed 100,000 common. **Price**—By amendment. **Business**—Manufacture of plastic shipping containers and tanks. **Proceeds**—For research and development and other corporate purposes. **Office**—Eden Park Gardens, Wilmington, Del. **Underwriter**—G. H. Walker & Co., N. Y.

Delford Industries, Inc.

Sept. 28, 1961 filed 95,000 common. **Price**—\$3.50. **Business**—Manufacture of precision rubber extrusions. **Proceeds**—Plant expansion, equipment, debt repayment and working capital. **Office**—82-88 Washington St., Middletown, N. Y. **Underwriter**—I. R. E. Investors Corp., Levittown, N. Y.

Della Sonics, Inc.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par \$1). **Price**—\$3. **Business**—The manufacture of ultrasonic and electronic systems and components. **Proceeds**—For plant and equipment; material and inventory; repayment of a loan and working capital. **Office**—12918 Gerise Ave., Hawthorne, Calif. **Underwriter**—Costello, Russotto & Co., Inc., Los Angeles. **Offering**—Imminent.

Delta Capital Corp.

Aug. 9, 1961 filed 500,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—610 National Bank of Commerce Building, New Orleans. **Underwriters**—Blair & Co., New York and Howard, Weil, Labouisse, Friedrichs & Co., New Orleans (managing).

Demarco Business Forms Inc.

Sept. 26, 1961 filed 100,000 class A common (with attached warrants to purchase an additional 50,000 shares). **Price**—By amendment. **Business**—Manufacture of custom-made printed business forms. **Proceeds**—Expansion, payment of taxes, and working capital. **Office**—3747 Ridge Ave., Philadelphia. **Underwriter**—Suplee, Yeatman, Mosley Co., Inc., Philadelphia.

Dero Research & Development Corp.

Aug. 24, 1961 ("Reg. A") 54,000 common. **Price**—\$2.40. **Business**—The manufacture of FM Deviation Monitors. **Proceeds**—For development, expansion, advertising and working capital. **Office**—Broadway and Park Ave., Huntington, N. Y. **Underwriter**—James Co., N. Y.

Deuterium Corp.

Sept. 28, 1961 filed 140,000 common with attached warrants to purchase an additional 140,000 shares to be offered for subscription by stockholders in units (of one share and one warrant) on the basis of 3 units for each 5% preferred share held, 2 units for each 5% preferred A stock held and one unit for each 10 class B shares held. **Price**—\$20 per unit. **Business**—Company plans to manufacture and utilize all kinds of chemical materials. **Proceeds**—For start-up expenses for a laboratory and small plant. **Office**—360 Lexington Ave., New York. **Underwriter**—None.

District Wholesale Drug Corp. of Washington

Sept. 19, 1961 filed \$500,000 of 6% convertible subord. sinking fund debentures due 1976, also 100,000 class A common. **Price**—Debentures—At par. Common—\$4. **Business**—The sale of drug products to retail stores in Washington, Maryland and Virginia. **Proceeds**—For the repayment of debt, and working capital. **Office**—52-60 O St., N. W., Washington, D. C. **Underwriter**—Auchincloss, Parker & Redpath, Washington, D. C.

Diversified Small Business Investment Corp.

Sept. 27, 1961 filed 600,000 common. **Price**—\$5. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—214 Engle St., Englewood, N. J. **Underwriters**—Lieberbaum & Co. and Morris Cohon & Co., N. Y.

Dixie Dinettes, Inc.

Sept. 28, 1961 filed 144,000 common. **Price**—\$5. **Business**—Manufacture of tables and chairs for use in kitchens and dinettes. **Proceeds**—For selling stockholders. **Office**—Dabney Rd., Richmond, Va. **Underwriter**—Rubin, Rennert & Co., Inc.

Doctors' Convalescent Center, Inc.

Sept. 29, 1961 ("Reg. A") \$250,000 of 10% convertible sinking fund debentures due Dec. 1, 1971 to be offered in units of \$100 each. **Price**—At par. **Proceeds**—For plant improvements, furnishings and working capital. **Office**—421 E. Broadway, East St. Louis, Ill. **Underwriter**—None.

Dolphin-Miller Mines Ltd.

Oct. 3, 1961 filed 1,600,000 capital shares, of which 1,200,000 shares are to be offered by the company and 400,000 shares by stockholders. **Price**—50c. **Business**—The exploration and production of ores. **Proceeds**—For salaries and general corporate purposes. **Office**—25 Adelaide St., W., Toronto, Canada. **Underwriter**—Brewis & White Ltd., Toronto.

Don Mills, Inc.

Sept. 27, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Financing of shipments of business machines. **Proceeds**—General corporate purposes. **Office**—Red Rock Bldg., Atlanta, Ga. **Underwriter**—Stan-Bee & Co., Washington, D. C.

Dressen-Barnes Electronics Corp. (10/30-11/3)

Aug. 14, 1961 filed 100,000 capital shares, of which 75,000 are to be offered by the company and 25,000 by stockholders. **Price**—By amendment. **Business**—Manufacture of power supplies and automatic label dispensers. **Proceeds**—Repayment of loans, and working capital. **Office**—250 N. Vinedo St., Pasadena, Calif. **Underwriter**—Lester, Ryons & Co., Los Angeles.

Dunlap & Associates, Inc. (10/31)

June 30, 1961 filed 75,000 common shares, of which 60,000 will be offered by the company and 15,000 by stockholders. **Price**—By amendment. **Business**—The company provides scientific research, engineering consulting and development services to the Armed Services, U. S. Government agencies and private industry. **Proceeds**—For purchase of building sites, expansion, and working capital. **Office**—429 Atlantic St., Stamford, Conn. **Underwriter**—Dominick & Dominick, Inc., New York.

Dunlap Electronics

Sept. 27, 1961 filed 80,000 common. **Price**—By amendment. **Business**—Distribution of electronic parts made by other firms. **Proceeds**—For a new subsidiary, repayment of debt and working capital. **Office**—27 S. Grant St., Stockton, Calif. **Underwriter**—Birr & Co., Inc., San Francisco.

Dynamic Gear Co., Inc. (10/16-20)

June 29, 1961 filed 125,000 common shares of which 100,000 shares are to be offered by the company and 25,000 shares by a stockholder. **Price**—\$3. **Business**—Manufacture of precision instrument gears. **Proceeds**—For purchase and rebuilding of automatic gear-cutting machines, prepayment of a note, inventory, a new plant and for general corporate purposes. **Office**—175 Dixon

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Ave., Amityville, N. Y. Underwriters—Flomenhaf, Seidler & Co., Inc. and Myron A. Lomasney & Co., N. Y.

• **Dynamic Toy, Inc. (10/30-11/3)**
June 30, 1961 ("Reg. A") 81,000 common. Price—\$3. Business—Manufacture of toys. Proceeds—Advertising, development of new products, expansion and working capital. Address—109 Ainslie St., Brooklyn, N. Y. Underwriter—Hancock Securities Corp., N. Y.

• **EMAC Data Processing Corp.**
Sept. 8, 1961 filed 100,000 common. Price—\$2.50. Business—The company conducts an electronic data processing service. Proceeds—Rental of additional data processing equipment, sales promotion, salaries, rent, furniture and working capital. Office—46-36 53rd Ave., Maspeth, N. Y. Underwriter—M. W. Janis Co., Inc., N. Y. Offering—Expected in early November.

• **Eastern Properties Improvement Corp.**
Aug. 22, 1961 filed \$1,500,000 of subordinated debentures due 1981 and 250,000 common shares. Price—For debentures, \$1,000; for stock, \$10. Business—General real estate. Proceeds—For the acquisition and development of real properties, repayment of debt and engineering, etc. Office—10 E. 40th St., New York. Underwriter—Woodcock, Moyer, Fricke & French, Inc., Philadelphia (managing). Offering—Expected in late October.

• **Economy Water Conditioners of Canada Ltd.**
Sept. 29, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Sale of water conditioning units to home owners. Proceeds—Rental of units, new distributorship, expansion and advertising. Office—36 Densley Ave., Toronto, Canada. Underwriter—S. I. Emrich Associates, Inc., N. Y.

• **Electra International, Ltd. (10/16)**
May 5, 1961 filed 70,000 capital shares. Price—To be supplied by amendment. Business—Manufacture of products in the automotive ignition field for sale outside the United States. Proceeds—For research, and development and working capital. Office—222 Park Ave., South, N. Y. Underwriter—Ezra Kureen Co., N. Y.

• **Electra-Tronics, Inc. (10/30-11/3)**
Aug. 14, 1961 ("Reg. A") 60,000 common (par 75c). Price—\$3. Business—The company is a military subcontractor in the electronics field. Proceeds—For the repayment of loans, inventory, expansion and working capital. Office—1242 N. Palm, Sarasota, Fla. Underwriter—Jay Morton & Co., Inc., Sarasota.

• **Electro-Mec Instrument Corp. (12/4-8)**
Sept. 15, 1961 filed 176,480 common. Price—\$6. Business—The design, manufacture and sale of potentiometers, digitometers and goniometers used in airborne computing devices. Proceeds—For the selling stockholder, Waltham Precision Instrument Co., Inc. Office—47-51 33rd St., Long Island City, N. Y. Underwriter—Sterling, Grace & Co., N. Y. (mgr.).

• **Electro-Med, Inc.**
July 17, 1961 filed \$540,000 of convertible subordinated debentures due 1971. Price—By amendment. Business—The manufacture of medical-electronic instruments. Proceeds—For working capital. Office—4748 France Avenue, N. Minneapolis. Underwriter—Craig-Hallum, Kinnard, Inc., Minneapolis (managing).

• **Electro-Miniatures Corp. (11/6-10)**
June 19, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The manufacture of electronic and electro-mechanical devices for the aircraft, radar, missile and rocket industries. Proceeds—For the selling stockholders. Office—600 Huyler St., Hackensack, N. J. Underwriter—Burnham & Co., New York.

• **Electronic Communications, Inc. (11/13-17)**
Sept. 22, 1961 filed 150,000 common. Price—By amendment. Business—Development and manufacture of electronic communication systems and equipment. Proceeds—General corporate purposes. Office—1501 72nd St. N., St. Petersburg, Fla. Underwriter—Laird & Co., Corp., Wilmington, Del.

• **Electronic International, Inc. (11/13-17)**
Sept. 1, 1961 ("Reg. A") 130,000 common. Price—\$2. Business—The manufacture of precision instruments. Proceeds—For equipment and working capital. Office—176 E. 15th St., Paterson, N. J.—Underwriter—Theodore Arrin & Co., Inc., N. Y.

• **Electronics Discovery Corp. (11/20-24)**
July 26, 1961 filed 150,000 common shares. Price—\$1. Business—The company plans to develop a device to make non-conductors into electrical conductors by the addition of chemicals. Proceeds—For research and development. Office—1100 Shames Dr., Westbury, L. I., N. Y. Underwriter—Globus, Inc., N. Y.

• **Elmar Electronics Inc.**
Sept. 29, 1961 filed 200,000 common, of which 100,000 will be sold by the company and 100,000 by stockholders. Price—By amendment. Business—Distribution of electronic parts and equipment. Proceeds—Debt repayment, expansion and working capital. Office—140 Eleventh St., Oakland, Calif. Underwriter—Schwabacher & Co., San Francisco.

• **Emertron, Inc.**
Oct. 6, 1961 filed 320,000 common to be offered for subscription by stockholders of Emerson Radio & Phonograph Corp., parent on the basis of one share of Emertron for each seven shares of Emerson. Price—By amendment. Business—Design and manufacture of electronic equipment for missiles and aircraft. Proceeds—General corporate purposes. Office—14th and Coles Sts., Jersey City, N. J. Underwriter—F. Eberstadt & Co., N. Y.

• **Empire Fund, Inc.**
June 28, 1961 filed 1,250,000 shares of capital stock to be offered in exchange for blocks of designated securities.

• **Business—A "centennial-type" fund which plans to offer a tax free exchange of its shares for blocks of corporate securities having a market value of \$20,000 or more. Office—44 School Street, Boston, Mass. Underwriter—A. G. Becker & Co., Inc., Chicago. Offering—Expected in November.**

• **Empire Life Insurance Co. of America**
March 14, 1961 (letter of notification) 30,000 shares of capital stock (no par). Price—\$10 per share. Proceeds—To go to selling stockholders. Office—2801 W. Roosevelt Road, Little Rock, Ark. Underwriter—Consolidated Securities, Inc., 2801 W. Roosevelt Road, Little Rock, Ark.

• **Empire Precision Components, Inc. (10/20)**
Aug. 29, 1961 ("Reg. A") 65,000 class A. Price—\$4. Business—The manufacture of metal component parts for precision electronic connectors. Proceeds—For moving expenses, a new plant, equipment, repayment of loans and working capital. Office—574 President St., Brooklyn, N. Y. Underwriter—Ezra Kureen Co., N. Y.

• **Empire State Building Associates**
Aug. 24, 1961 filed \$39,000,000 participations of general partnership interest to be offered in units. Price—\$10,000 per unit. Business—General real estate. Proceeds—To help finance the purchase of the Empire State Building. Office—60 E. 42nd St., N. Y. Underwriter—None.

• **Energy Components Corp. (10/30-11/3)**
Sept. 1, 1961 ("Reg. A") 50,000 common. Price—\$3.50. Business—Wholesale distribution of electronic components. Proceeds—For expansion, advertising and promotion, acquisition of a plant and equipment and other corporate purposes. Office—1626 Nostrand Ave., Brooklyn. Underwriter—Albion Securities Co., Inc., N. Y.

• **Eon Corp.**
Oct. 2, 1961 filed 133,333 common. Price—By amendment. Business—Manufacture of equipment for radiation detection and measurements. Proceeds—For equipment, leasehold improvements and working capital. Office—175 Pearl St., Brooklyn. Underwriter—L. H. Rothchild & Co., N. Y.

• **Executive Equipment Corp. (10/23-27)**
Aug. 1, 1961 filed 100,000 common. Price—\$4. Business—Long-term leasing of automobiles. Proceeds—Purchase of automobiles, establishment of a trucking division and a sales office, and for working capital. Office—790 Northern Blvd., Great Neck, N. Y. Underwriters—Reich & Co., and Jacques Coe & Co., N. Y.

• **Executive House, Inc. (11/20-24)**
Aug. 29, 1961 filed \$2,000,000 of 6% subordinated sinking fund debentures due 1971 and 400,000 common to be offered in 200,000 units, each consisting of a \$10 debenture (with 2 warrants) and two common. Price—By amendment. Business—The operation of hotels. Proceeds—For investment in a subsidiary and realty acquisitions. Office—71 E. Wacker Dr., Chicago. Underwriters—Bear, Stearns & Co., N. Y. C. and Straus, Blosser & McDowell Co., Chicago (mgrs.).

• **FMC Corp.**
Sept. 5, 1961 filed \$30,000,000 convertible subordinated debentures due 1981. Price—By amendment. Business—The manufacture of industrial and agricultural chemical equipment. Proceeds—For general corporate purposes. Office—1105 Coleman Ave., San Jose, Calif. Underwriter—Kidder, Peabody & Co., N. Y. Offering—In early Nov.

• **FM-Stereo Guide, Inc. (10/23-27)**
Aug. 4, 1961 ("Reg. A") 50,000 common shares. Price—\$6. Business—The company plans to publish a national magazine featuring detailed FM radio program listings, reviews, interviews, etc. Proceeds—For general corporate purposes. Office—1711 Walnut Street, Philadelphia. Underwriter—Valley Forge Securities Co., Inc., New York City and Philadelphia.

• **Fairfield Controls, Inc. (11/20-24)**
May 19, 1961 filed 150,000 shares of common stock. Price—\$1 per share. Business—The manufacture of electronic solid state power controls designed by the company's engineers from specifications supplied by customers. Proceeds—For equipment, repayment of a loan, inventory, advertising and working capital. Office—114 Manhattan Street, Stamford, Conn. Underwriters—First Philadelphia Corp., and Lieberman & Co., both of N. Y.

• **Family Circle Associates, Inc.**
Aug. 30, 1961 filed 50,000 class A common. Price—\$7. Business—The operation of retail discount department stores. Proceeds—For repayment of loans and working capital. Office—30 Main St., Keyport, N. J. Underwriter—Russell & Saxe, Inc., N. Y.

• **Family Finance Corp. (10/23)**
Sept. 19, 1961 filed \$25,000,000 principal amount of senior debentures due Oct. 15, 1981. Price—By amendment. Business—The operation of a small loan, discount loan and sales financing business and the writing of credit life and other types of insurance. Proceeds—For working capital. Office—201 W. 14th Street, Wilmington, Del. Underwriter—Goldman, Sachs & Co., N. Y.

• **Fashion Homes Inc. (11/6-10)**
July 18, 1961 filed \$600,000 of subordinated debentures due 1971; 100,000 common shares and 100,000 five-year warrants (exercisable at from \$4 to \$8 per share) to be offered for public sale in units of one \$60 debenture, 10 common shares and 10 warrants. The registration also covers 40,800 common shares. Price—\$100 per unit, and \$6 per share. Business—The construction of shell homes. Proceeds—For redemption of 8% debentures; advances to company's subsidiary; repayment of loans; advertising and promotion, and other corporate purposes. Office—1711 N. Glenstone, Springfield, Mo. Underwriters—Globus, Inc. and Ross, Lyon & Co., Inc., New York.

• **Fashion Industries, Inc.**
Sept. 26, 1961 filed 95,600 common, of which 68,000 will be sold by the company and 27,600 by stockholders.

• **Price—\$4.75. Business—Manufacture and sale of women's apparel. Proceeds—For repayment of debt, purchase of equipment, taxes, and working capital. Office—Gauthier St., Tuskegee, Ala. Underwriter—Wright, Redden, Myers & Bessell, Inc., Washington, D. C.**

• **Fastlane Inc.**
Sept. 28, 1961 filed \$400,000 of 6% conv. subord. debentures due 1971 and 40,000 common shares to be offered publicly in units of one \$500 debenture and 50 common. Price—\$575 per unit. Business—Manufacture of concealed zippers. Proceeds—Debt repayment, advertising and working capital. Office—8 Washington Place, N. Y. Underwriter—G. Everett Parks & Co., Inc., N. Y.

• **Fidelity America Financial Corp.**
Oct. 3, 1961 filed 100,000 common. Price—\$3. Business—A commercial finance company. Proceeds—For general corporate purposes. Office—42 S. 15th St., Philadelphia. Underwriter—Netherlands Securities Co., Inc., N. Y.

• **Fifth Avenue Cards, Inc.**
Sept. 28, 1961 filed 115,000 class A capital shares. Price—By amendment. Business—Operation of a chain of retail greeting card stores. Proceeds—Debt repayment, working capital and expansion. Office—18 W. 34th St., N. Y. Underwriters—Hardy & Co. and Filor, Bullard & Smyth, N. Y. Offering—Expected sometime in Nov.

• **First Federated Life Insurance Co.**
Sept. 20, 1961 filed 10,000 capital shares to be offered for subscription by stockholders at the rate of one new share for each two held. Price—\$35. Proceeds—To increase capital. Office—Munsey Bldg., Baltimore, Md. Underwriter—None.

• **First Midwest Capital Corp.**
Sept. 28, 1961 filed 150,000 common. Price—By amendment. Business—A small business investment company. Proceeds—General corporate purposes. Office—512 Nicollet Ave., Minneapolis. Underwriters—Paine, Webber, Jackson & Curtis, N. Y., and Craig-Hallum, Kinnard, Inc., Minneapolis.

• **First National Realty & Construction Corp. (10/30-11/3)**
Aug. 11, 1961 filed \$3,000,000 of 6½% subordinated debentures due 1976 (with warrants attached). Price—By amendment. Business—The construction and management of real estate. Proceeds—For repayment of loans and general corporate purposes. Office—630 Third Avenue, N. Y. Underwriter—H. Hentz & Co., N. Y. (mgr.).

• **First Small Business Investment Company of Tampa, Inc.**
Oct. 6, 1960 filed 500,000 shares of common stock. Price—\$12.50 per share. Proceeds—To provide investment capital. Office—Tampa, Fla. Underwriter—None.

• **First Union Realty (10/16-20)**
Aug. 30, 1961 filed 1,060,000 shares of beneficial interests. Price—By amendment. Business—A real estate investment trust. Proceeds—For purchase of an office building, repayment of loans and working capital. Office—Union Commerce Bldg., Cleveland. Underwriters—Harriman Ripley & Co., N. Y., and Hayden, Miller & Co., Cleveland.

• **First Western Financial Corp. (10/30-11/3)**
Aug. 23, 1961 filed 450,000 common, of which 100,000 shares are to be offered by the company and 350,000 shares by stockholders. Price—By amendment. Business—A holding company for a savings and loan association, an insurance agency, real estate and escrow agencies and an appraisal service. Proceeds—For repayment of a loan and general corporate purposes. Office—118 Las Vegas Blvd. S., Las Vegas, Nev. Underwriter—A. C. Allyn & Co., N. Y. (mgr.).

• **Flato Realty Fund**
April 21, 1961 filed 2,000,000 shares of participation in the fund. Price—\$10 per share. Business—A new real estate investment trust. Proceeds—For investment. Office—Highway 44 and Baldwin Blvd., Corpus Christi, Texas. Distributor—Flato, Bean & Co., Corpus Christi.

• **Fleetwood Securities Corp. of America (10/16-20)**
Aug. 8, 1961 filed 70,000 common shares, of which 56,000 shares are to be offered by the company and 14,000 shares by stockholders. Price—\$10. Business—Distributor of Electronics Investment Corp., Contractual Plans and a broker-dealer registered with NASD. Proceeds—To increase net capital and for investment. Office—44 Wall St., N. Y. Underwriter—General Securities Co., Inc., N. Y.

• **Floyd Bennett Stores, Inc. (11/13-17)**
Aug. 30, 1961 filed 100,000 common. Price—By amendment. Business—The operation of discount department stores. Proceeds—For repayment of loans and working capital. Office—300 W. Sunrise Highway, Valley Stream, N. Y. Underwriters—Goodkind, Neufeld, Jordan Co., Inc. and Richter & Co., N. Y. (mgrs.).

• **Flying Commuter, Inc.**
Sept. 26, 1961 ("Reg. A") 2,600 capital shares. Price—\$10. Business—Provides a scheduled flight service between State College, Pa. and Washington, D. C. Office—525 W. Foster Ave., State College, Pa. Underwriter—None.

• **Food Corp. of America**
Oct. 5, 1961 filed 50,000 common. Price—\$2.50. Business—The acquisition of enterprises engaged in the food processing industry. Proceeds—For repayment of debt and working capital. Office—1207 Foshay Tower, Minneapolis, Minn. Underwriter—None.

• **Foods Plus, Inc. (11/6-10)**
Sept. 22, 1961 filed 150,000 common. Price—By amendment. Business—A manufacturer, wholesaler, and retailer of vitamin products. Proceeds—For selling stockhold-

ers. Office—62 W. 45th St., N. Y. Underwriter—Shearson, Hammill & Co., N. Y.

Foot & Davies, Inc.

Sept. 22, 1961 filed 165,000 common; 70,000 to be offered by the company and 95,000 by present stockholders. Price—By amendment. Business—Printing and binding of books, magazines, catalogs, pamphlets, advertising material, etc. Proceeds—Repayment of debt and working capital. Office—764 Miami Circle, N.E., Atlanta, Ga. Underwriters—J. C. Bradford & Co., Nashville, Tenn. and Courts & Co., Atlanta, Ga.

Fotochrome Inc. (10/16-20)

June 29, 1961 filed \$3,500,000 of convertible subordinated debentures due 1981 and 143,333 outstanding common shares. The debentures are to be offered by the company and the stock by stockholders. Price—By amendment. Business—The processing of photographic films; the wholesaling of photographic supplies and the development and sale of film processing. Proceeds—For construction of a new plant, purchase of equipment, moving expenses and for other corporate purposes. Office—1874 Washington Ave., New York. Underwriters—Shearson, Hammill & Co., and Emanuel, Deetjen & Co., N. Y.

Fram Corp. (11/13-17)

Sept. 1, 1961 filed 50,000 common. Price—By amendment. Business—The manufacture of oil and air filtration equipment for engines. Proceeds—To reimburse Treasury for a recent acquisition. Office—105 Pawtucket Ave., East Providence, R. I. Underwriter—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

G-W Inc.

Jan. 25, 1961 filed 80,000 shares of common stock and 100,000 warrants to purchase a like number of common shares, to be offered for public sale in units, each consisting of one share of common stock and two warrants. Each warrant will entitle the holder thereof to purchase one share of common stock at \$2 per share from March to August 1961 and at \$3 per share from September 1962 to February 1964. Price—\$4 per unit. Business—The company (formerly Gar Wood Philadelphia Truck Equipment, Inc.), distributes, sells, services and installs Gar Wood truck bodies and equipment in Pennsylvania, Delaware, and New Jersey, under an exclusive franchise. Proceeds—For general corporate purposes. Office—Kensington and Sedgley Avenues, Philadelphia, Pa. Underwriter—Fraser & Co., Inc., Philadelphia, Pa. Note—Company formerly was named G-W Ameritronics, Inc. Offering—Imminent.

Gas Hills Uranium Co.

Aug. 29, 1961 filed 847,035 common to be offered for subscription by stockholders on a 1-for-10 basis. Price—By amendment. Business—The operation of uranium mines and a mill. Proceeds—For repayment of loans, acquisitions and working capital. Office—224 Iverson St., Laramie, Wyo. Underwriter—None.

Gem Electronic Distributors, Inc.

Aug. 25, 1961 filed 75,000 common. Price—By amendment. Business—The distribution of electronic parts and equipment, including TV and radio components. Proceeds—For repayment of loans and inventory. Office—34 Hempstead Turnpike, Farmingdale, N. Y. Underwriter—Carter, Berlind, Potoma & Weill, N. Y. C. (mgr.).

General Foam Corp.

Aug. 15, 1961 filed \$2,500,000 of 6% convertible subordinated debentures due 1981. Price—At par. Business—The manufacture of urethane foam and foam rubber products. Proceeds—For repayment of loans and working capital. Office—640 W. 134th St., New York. Underwriter—Brand, Grumet & Seigel, Inc., N. Y. Offering—Imminent.

General Forms, Inc.

Aug. 15, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Proceeds—For repayment of loans, plant improvements, equipment and working capital. Office—7325 Northwest 43rd St., Miami. Underwriter—Equity Securities Co., New York.

General Kinetics Inc. (10/23-27)

Aug. 7, 1961 filed 200,000 common. Price—By amendment. Business—Company conducts various activities within the fields of electronics, mechanical engineering, instrumentation and mathematics. Proceeds—For expansion. Office—2611 Shirlington Rd., Arlington, Va. Underwriters—Balogh & Co., Inc., Washington, D. C. and Irving J. Rice & Co., Inc., St. Paul, Minn.

General Plastics Corp. (10/16-20)

June 20, 1961 ("Reg. A") 60,000 common shares (par \$1). Price—\$5. Proceeds—For repayment of loans, inventory, equipment and working capital. Office—12414 Exposition Blvd., West Los Angeles, Calif. Underwriters—Ehrlich, Irwin & Co., N. Y.

Georgia Power Co. (10/18)

Sept. 1, 1961 filed 70,000 shares of no par cumulative preferred stock. Proceeds—For construction and the repayment of loans. Office—270 Peachtree St., Atlanta, Ga. Underwriters—(Competitive). Probable bidders—First Boston Corp.; Lehman Brothers; Morgan Stanley & Co.; Eastman Dillon, Union Securities & Co.; Equitable Securities Corp. Bids—Oct. 18 (11 a.m. EDT) at offices of Southern Services, Inc. (Room 1600), 250 Park Ave., N. Y.

Georgia Power Co. (10/18)

Sept. 1, 1961 filed \$10,000,000 of first mortgage bonds due Oct. 1, 1991. Proceeds—For construction and the repayment of loans. Office—270 Peachtree St., Atlanta, Ga. Underwriters—(Competitive). Probable bidders: Harman Ripley & Co., Inc.; Lehman Brothers; Blyth & Co., Inc.; Kidder, Peabody & Co., and Shields & Co. (jointly); First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co.; Equitable Securities Corp.; Eastman Dillon, Union Securities & Co. (jointly). Bids—Oct. 18 (12 noon EDT) at offices of Southern Services, Inc. (Room 1600) 250 Park Ave., N. Y.

Gibraltar Financial Corp. of California (11/21)

Oct. 3, 1961 filed \$5,500,000 of conv. subord. debentures due Nov. 1, 1976. Price—By amendment. Business—A holding company for a savings and loan association, a bank, an escrow company and a real estate trustee. Proceeds—Debt repayment, additional investment in the bank and other corporate purposes. Office—9111 Wilshire Blvd., Beverly Hills, Calif. Underwriters—White, Weld & Co., N. Y., and Dean Witter & Co., San Francisco.

Girder Process, Inc. (10/24)

July 21, 1961 filed 80,000 class A common shares. Price—\$5.25. Business—The manufacture of adhesive bonding films and related products. Proceeds—For acquisition of a new plant, purchase and construction of new machinery and equipment, research and laboratory product development, sales program, advertising, working capital and other corporate purposes. Office—102 Hobart Street, Hackensack, N. J. Underwriter—Winslow, Cohu & Stetson, New York (managing).

Girtown, Inc.

Sept. 28, 1961 filed 200,000 class A common shares. Price—By amendment. Business—The manufacture of young women's sportswear. Proceeds—For selling stockholders. Office—35 Morrissey Blvd., Boston. Underwriter—Hemphill, Noyes & Co., N. Y.

Glacier Publishing International, Inc.

Sept. 15, 1961 filed 112,500 common. Price—\$3. Business—The publishing of crossword puzzle magazines, pricing guide directories and certain annual publications. Proceeds—For the repayment of debt, and working capital. Office—26 B'way, N. Y. Underwriter—Farrell Securities Co., N. Y.

Glass-Tite Industries, Inc.

Sept. 27, 1961 filed 185,000 common, of which 135,000 are to be offered by the company and 50,000 by a stockholder. Price—By amendment. Business—Manufacture of glass-to-metal hermetic seals. Proceeds—For purchase of equipment, investment in a subsidiary, research and development, moving expenses, and working capital. Office—725 Branch Ave., Providence, R. I. Underwriter—Hemphill, Noyes & Co., N. Y.

Glen Industries, Inc.

Sept. 29, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Manufacture of zipper machinery and tooling. Proceeds—General corporate purposes. Office—130 County Courthouse Rd., New Hyde Park, N. Y. Underwriter—G. Everett Parks & Co., Inc., N. Y.

Glenmore Distilleries Co.

Aug. 25, 1961 filed \$7,500,000 of convertible subordinated debentures due 1981. Price—By amendment. Business—The production of alcoholic beverages. Proceeds—For repayment of loans. Office—660 Fourth St., Louisville. Underwriter—Glore, Forgan & Co., N. Y. C. (mgr.).

Globe Coliseum, Inc.

July 21, 1961 ("Reg. A") 300,000 common shares. Price—At par (\$1). Proceeds—For construction of a coliseum building, furnishings and incidental expenses. Address—c/o Fred W. Layman, 526 S. Center, Casper, Wyo. Underwriter—Northwest Investors Service, Inc., Billings, Mont. Offering—Imminent.

Gluckin (Wm.) Co. Ltd. (1/4)

Aug. 25, 1961 filed 175,000 common. Price—\$10. Business—The manufacture of ladies' underclothing. Proceeds—For repayment of loans and general corporate purposes. Office—Bank of Bermuda Bldg., Hamilton, Bermuda. Underwriter—Globus, Inc., N. Y. C. (mgr.).

Golf Courses, Inc.

Aug. 28, 1961 filed 100,000 capital shares. Price—\$6. Business—The company plans to operate a public golf course and a private country club. Proceeds—For purchase of land, construction and general corporate purposes. Office—1352 Easton Rd., Warrington, Bucks County, Pa. Underwriter—Metropolitan Securities, Inc., Philadelphia (mgr.).

Gould Paper Co.

Sept. 28, 1961 filed 140,000 common. Price—\$11. Business—Manufacture of paper. Proceeds—Expansion and working capital. Office—Lyons Falls, N. Y. Underwriter—Amos Treat & Co., Inc., N. Y.

Gradiaz, Annis & Co., Inc.

Sept. 27, 1961 filed 116,875 common, of which 25,350 shares will be offered by the company and 91,525 by a stockholder. Price—By amendment. Business—Manufacture of cigars. Proceeds—To prepay notes and increased working capital. Office—2311-18th St., Tampa, Fla. Underwriter—W. C. Langley & Co., N. Y.

Graco Industries, Inc.

Sept. 27, 1961 filed 77,250 common. Price—\$4. Business—Manufacture of graphic arts equipment, chemicals and supplies. Proceeds—For the operation of a subsidiary, new product development, equipment and other corporate purposes. Office—291 Third Ave., N. Y. Underwriter—Philips, Rosen and Appel, N. Y.

Green (Henry J.) Instrument Co.

Aug. 24, 1961 filed 140,000 common. Price—\$2.25. Business—The manufacture of precision meteorological instruments. Proceeds—For repayment of loans, equipment, salaries and general corporate purposes. Office—2500 Shames Dr., Westbury, N. Y. Underwriter—N. A. Hart & Co., Inc., Bay Side, N. Y. (mgr.).

Greene (M. J.) Co.

June 14, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$4. Proceeds—For expansion, and working capital. Office—14 Wood St., Pittsburgh. Underwriter—Hess, Grant & Remington, Inc., Philadelphia.

Griesedieck Co.

Sept. 11, 1961 filed 100,000 common to be offered for subscription by stockholders on the basis of one new share for each three held. Price—By amendment. Business—A closed-end investment company. Proceeds—For

general corporate purposes. Office—314 N. Broadway, St. Louis. Underwriter—Edward D. Jones & Co., St. Louis (mgr.).

Gro-Rite Shoe Co., Inc.

July 21, 1961 filed \$500,000 of 6% convertible subordinated debentures due 1970 to be offered for subscription by stockholders on the basis of one \$100 debenture for each 60 shares held. Price—At par. Business—The manufacture of specialized children's shoes. Proceeds—For new molds, construction and working capital. Address—Route 2, Box 129, Mount Gilead, N. C. Underwriter—None. Offering—Expected in November.

Growth, Inc. (11/6-10)

May 17, 1961 (letter of notification) 100,000 shares of common stock (par \$1). Price—\$3 per share. Address—Lynn, Mass. Underwriter—Mann & Creesy, Salem, Mass.

Growth Properties (10/23-27)

May 9, 1961 filed 100,000 shares of common stock. Price—To be supplied by amendment. Business—The company plans to engage in all phases of the real estate business. Proceeds—To reduce indebtedness, construct apartment units, buy land, and for working capital. Office—Suite 418, Albert Bldg., San Rafael, Calif. Underwriter—Pacific Coast Securities Co., San Francisco, Calif.

Gulf Pines Memorial Park, Inc.

Sept. 27, 1961 ("Reg. A") 21,000 common. Price—\$2. Business—Operation of a cemetery. Proceeds—Debt repayment, construction and other corporate purposes. Address—Venice, Fla. Underwriter—None.

Guy's Foods, Inc. (10/30-11/3)

Aug. 2, 1961 filed 97,000 common shares (par \$2). Price—\$10. Business—The processing of foods. Proceeds—For purchase of buildings, equipment and additional inventories. Office—2215 Harrison, Kansas City, Mo. Underwriter—Allen & Co., N. Y. (mgr.).

Halco Chemical Co.

Aug. 25, 1961 filed 225,000 common. Price—\$2. Business—Manufacture of agricultural chemicals. Proceeds—General corporate purposes. Office—N. 14th St. and Lafayette Ave., Kenilworth, N. J. Underwriters—Ross, Lyon & Co., Inc., and Globus, Inc., N. Y.

Hallmark Insurance Co., Inc.

Aug. 3, 1961 filed 225,000 common shares. Price—\$3. Business—An insurance company. Proceeds—For capital and surplus. Office—636 S. Park St., Madison, Wis. Underwriters—Braun, Monroe & Co., Milwaukee and Harley, Haydon & Co., Inc., Madison.

Halton Rental Corp.

Sept. 29, 1961 ("Reg. A") 150,000 common. Price—\$2. Business—Rental of fur coats. Proceeds—For leasehold improvements, equipment, advertising, working capital and inventory. Office—350 Seventh Ave., N. Y. Underwriter—B. G. Harris & Co., N. Y.

Hamilton Electro Corp. (10/30-11/3)

Aug. 9, 1961 filed 135,000 common, of which 80,000 are to be offered by the company and 55,000 by stockholders. Price—\$7.50. Business—Distribution of solid state electronic parts and equipment. Proceeds—Inventory, new product lines, repayment of loans and working capital. Office—11965 Santa Monica Blvd., Los Angeles, Calif. Underwriter—William Norton Co., N. Y.

Handschy Chemical Co. (11/6-10)

Aug. 25, 1961 filed 150,000 common, of which 50,000 are to be offered by the company and 100,000 by stockholders. Price—By amendment. Business—The manufacture of specialty printing inks, chemicals and supplies. Proceeds—For general corporate purposes. Office—2525 N. Elston Ave., Chicago. Underwriter—Blunt Ellis & Simmons, Chicago (mgr.).

Hannett Industries, Inc. (10/23-27)

Aug. 11, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Fabrication of components for missiles, jet engines, aircraft landing gears and precision machines. Proceeds—Machinery, research and development and working capital. Office—40 Sea Cliff Ave., Glen Cove, N. Y. Underwriter—Albion Securities Co., Inc., N. Y.

Happy House, Inc. (10/23-27)

July 28, 1961 filed 700,000 common shares. Price—\$1. Business—The marketing of gifts, candies and greeting cards through franchised dealers. Proceeds—For equipment, inventory and working capital. Office—11 Tenth Ave., S., Hopkins, Minn. Underwriter—None.

Harleysville Life Insurance Co.

Sept. 21, 1961 filed 40,000 common. Price—\$15. Business—The writing of all types of life insurance and annuities. Proceeds—Working capital. Office—Harleysville, Pa. Underwriter—None.

Hartfield Stores, Inc.

Sept. 25, 1961 filed \$5,000,000 of conv. subord. debentures due 1981. Price—By amendment. Business—Operation of retail apparel and discount department stores. Proceeds—Repayment of debt, expansion and working capital. Office—5330 W. 102nd St., Los Angeles. Underwriters—Van Alstyne, Noel & Co., N. Y., and Johnston, Lemon & Co., Wash., D. C. Offering—Expected sometime in Nov.

Hawaiian Telephone Co.

Aug. 15, 1961 filed 667,413 common being offered for subscription by stockholders on the basis of one new share for each seven held of record Sept. 25, 1961. Rights will expire Oct. 17, 1961. Price—\$17.50. Proceeds—For working capital. Office—1130 Alakea St., Honolulu. Underwriter—Kidder, Peabody & Co., N. Y.

Hawthorne Financial Corp. (10/23-27)

Aug. 10, 1961 filed 33,117 capital shares. Price—By amendment. Business—A holding company for a savings and loan association and an insurance agency. Proceeds—For the selling stockholders. Office—305 S. Hawthorne Boulevard, Hawthorne, Calif. Underwriter—Crowell, Weedon & Co., Los Angeles.

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★ **Herndon Medico Inc.**

Sept. 25, 1961 ("Reg. A") 1,000 class A 8% preferred. Price—\$100. Business—Construction of medical center. Proceeds—Debt repayment, equipment and working capital. Office—77 Third St., Herndon, Va. Underwriter—None.

★ **Hexagon Laboratories, Inc.**

July 20, 1961 filed \$640,000 of 6% convertible subordinated debentures due 1976 and 90,000 common shares to be offered in units consisting of \$300 of debentures and 50 common shares. Price—\$500 per unit. Business—The manufacture of medicinal chemicals. Proceeds—For equipment, expansion, repayment of loans and working capital. Office—3536 Peartree Avenue, New York Underwriter—Stearns & Co., New York (managing).

★ **Hi-Shear Corp.**

Aug. 1, 1961 filed 139,500 common shares, of which 105,000 will be sold by the company and 34,500 by stockholders. Price—By amendment. Business—The manufacture of high strength fastening devices and assembly systems for the aircraft and missile industries. Proceeds—For construction, repayment of loans and other corporate purposes. Office—2600 W. 247th St., Torrance, Calif. Underwriter—William R. Staats & Co., Los Angeles.

★ **Hickory Industries, Inc.**

Aug. 31, 1961 ("Reg. A") 40,000 common. Price—\$5. Business—The manufacture of barbecue machines and allied equipment. Proceeds—For equipment, inventory, sales promotion, expansion and working capital. Office—10-20 47th Rd., Long Island City, N. Y. Underwriter—J. B. Coburn Associates, Inc., N. Y. Offering—Imminent.

★ **High Temperature Materials, Inc.**

Sept. 28, 1961 filed 120,000 common. Price—By amendment. Business—Manufacture of products from test models. Proceeds—For equipment, research and development, leasehold improvements, repayment of debt and working capital. Office—130 Lincoln St., Brighton, Mass. Underwriter—L. F. Rothschild & Co., N. Y.

★ **Hoffman International Corp. (10/30-11/3)**

July 18, 1961 filed \$1,890,700 7% convertible subordinated debentures due 1973 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 25 shares held. Price—At par. Business—The manufacture of pressing and dry-cleaning equipment. Proceeds—For repayment of loans and general corporate purposes. Office—107 Fourth Ave., New York. Underwriter—J. R. Williston & Beane, New York.

★ **Hogan Faximile Corp. (10/30)**

July 26, 1961 filed 300,000 common shares. Price—By amendment. Business—The manufacture of electrolytic recording paper and equipment. Proceeds—For repayment of debt and working capital. Office—635 Greenwich St., New York. Underwriter—William R. Staats & Co., Los Angeles (managing).

★ **Hollywood Artists Productions Inc.**

July 28, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The production of motion picture and TV feature films. Proceeds—For repayment of loans, producers' fee, stories and working capital. Office—350 Lincoln Rd., Miami Beach, Fla. Underwriter—To be named.

★ **Houston Corp.**

June 9, 1961 filed 583,334 common shares to be offered for subscription by holders of common and class A stock. Price—By amendment. Business—The operation of a pipe line system of natural gas. Proceeds—For expansion, working capital and general corporate purposes. Office—First Federal Bldg., St. Petersburg, Fla. Underwriters—Blyth & Co., Inc., Lehman Brothers and Allen & Co., New York.

★ **Hygiene Industries Inc.**

Sept. 20, 1961 filed 200,000 common. Price—\$5. Business—Manufacturer of shower and window curtains. Proceeds—For selling stockholders. Office—261 5th Ave., N. Y. Underwriter—Milton D. Blauner & Co., N. Y. Offering—Expected sometime in November.

★ **Hygrade Packaging Corp.**

Aug. 30, 1961 filed 100,000 class A. Price—By amendment. Business—The manufacture of paper cartons and boxes. Proceeds—For product development, expansion, repayment of a loan and working capital. Office—92-00 Atlantic Ave., Ozone Park, N. Y. Underwriter—P. J. Gruber & Co., Inc., N. Y. (mgr.).

★ **Idaho Power Co. (11/1)**

Sept. 26, 1961 filed 200,000 common. Price—By amendment. Office—1220 Idaho St., Boise, Idaho. Underwriters—To be named. The last sale of common on Nov. 10, 1960 was underwritten by Kidder, Peabody & Co., and Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y.

★ **Idaho Power Co. (11/1)**

Sept. 26, 1961 filed \$10,000,000 first mortgage bonds due 1991. Office—1220 Idaho St., Boise, Idaho. Underwriters—(Competitive). Probable bidders: Halsey, Stuart & Co., Inc.; Blyth & Co., Inc.; Lazard Freres & Co.—First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.—White, Weld & Co. (jointly); Salomon Brothers & Hutzler-Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp. Bids—Expected Nov. 1. Information Meeting—Oct. 27 (11 a.m. EDT) at Bankers Trust Co. (Room No. 1, second floor) 16 Wall St., N. Y.

★ **Ihnen (Edward H.) & Son, Inc. (11/6-10)**

May 16, 1961 filed 75,000 shares of common stock. Price—\$5 per share. Business—The construction of public and private swimming pools and the sale of pool equipment. Proceeds—To reduce indebtedness, to buy equipment, and for working capital. Office—Montvale, N. J. Underwriter—Amos Treat & Co., Inc., New York City.

★ **Illinois Capital Investment Corp.**

Sept. 19, 1961 filed 250,000 common. Price—By amendment. Business—A small business investment company. Office—20 North Wacker Dr., Chicago, Ill. Underwriter—Blair & Co., Inc., N. Y. Offering—Expected in Nov.

★ **Industrial Gauge & Instrument Co., Inc.**

June 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$3. Business—The sale of industrial gauges, valves and allied products. Proceeds—For production, inventory, working capital and repayment of loans. Office—1403 E. 180th St., New York 69, N. Y. Underwriter—R. F. Dowd & Co., Inc., N. Y. Note—This letter will be refiled.

★ **Industrionics Controls, Inc.**

July 26, 1961 filed 84,000 common shares. Price—\$5. Business—The manufacture of electronic controls for the monitoring of machinery. Proceeds—For repayment of a loan, purchase of raw material and equipment, advertising, establishment of a field engineering service organization and other corporate purposes. Office—20 Vandam St., N. Y. Underwriter—Jacey Securities Co., N. Y. (managing).

★ **Intercontinental Dynamics Corp. (10/17)**

July 18, 1961 ("Reg. A") 200,000 common. Price—\$1.50. Business—Manufacture of electronic and electro-mechanical devices used to determine the accuracy of aircraft flight instruments. Office—170 Coolidge Ave., Englewood, N. J. Underwriter—M. H. Woodhill Inc., N. Y.

★ **Interior Communications Systems, Inc.**

Aug. 25, 1961 ("Reg. A") 220,000 common. Price—\$1.15. Proceeds—For establishment of a Chicago branch office and the purchase of inventories. Office—2430 Nicollet Ave., Minneapolis. Underwriter—McDonald, Anderson, Peterson & Co., Inc., Minneapolis. Offering—Expected in late October.

★ **International Flavors & Fragrances Inc. (10/23-27)**

Sept. 29, 1961 filed 514,432 common, of which 409,432 will be sold by the company and 105,000 by stockholders. Price—By amendment. Business—Production of fragrances and flavors for the cosmetic, soap and food industries. Proceeds—For the purchase and retirement of 957,046 outstanding shares now held by a Dutch company. Office—521 W. 57th St., N. Y. Underwriter—Smith, Barney & Co., Inc., N. Y.

★ **International House of Pancakes, Inc.**

Aug. 28, 1961 filed \$600,000 of 6% convertible subordinated debentures due 1976 and 81,250 common. Price—By amendment. Business—The distribution of food items for restaurants. Proceeds—For expansion, repayment of loans and general corporate purposes. Office—6837 Lankershim Blvd., North Hollywood, Calif. Underwriter—L. F. Rothschild & Co., N. Y. (mgr.).

★ **International Housing Corp. (10/30-11/3)**

Aug. 16, 1961 filed 440,000 common shares. Price—\$1.15. Business—For construction and financing of shell homes. Proceeds—For working capital and general corporate purposes. Office—2101 N. E. Broadway, Minneapolis. Underwriter—Bratter & Co., Inc., Minneapolis.

★ **International Management Corp.**

Aug. 21, 1961 ("Reg. A") 100,000 common (par \$1). Price—\$3. Proceeds—For loans to subsidiaries and working capital. Office—7510 B. Granby St., Norfolk, Va. Underwriter—J. B. McLean & Co., Inc., Norfolk, Va.

★ **Interphoto Corp.**

Sept. 15, 1961 filed 200,000 class A common. Price—\$9. Business—The wholesale distribution of photographic and sound equipment and supplies. Proceeds—For the selling stockholders. Office—45-17 Pearson St., Long Island City, N. Y. Underwriters—C. E. Unterberg, Towbin Co., and Arnold & S. Bleichroeder, Inc., N. Y.

★ **Interstate Bowling Corp.**

July 25, 1961 filed 150,000 common shares. Price—\$3.50. Business—The acquisition and operation of bowling centers in Colorado, California and other states. Proceeds—For repayment of debts and general corporate purposes. Office—10391 Magnolia Ave., Riverside, Calif. Underwriter—Currier & Carlsen, Inc., San Diego.

★ **Interstate Fire & Casualty Co. (10/18)**

Aug. 25, 1961 filed 100,000 common. Price—By amendment. Business—The writing of general insurance. Office—501 Livingston Bldg., Bloomington, Ill. Underwriter—White, Weld & Co., N. Y. C. (mgr.).

★ **Interstate Hosts, Inc.**

Oct. 2, 1961 filed \$2,550,000 of con. subord. debentures due 1981 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 33 shares held. Price—At par. Business—The operation of restaurants, other food establishments and gift shops. Proceeds—For expansion. Office—11255 W. Olympic Blvd., Los Angeles. Underwriters—Glore, Forgan & Co., N. Y. and H. M. Byllesby & Co., Inc., Chicago.

★ **Interworld Film Distributors, Inc.**

Sept. 29, 1961 filed 106,250 common. Price—\$4. Business—Theatrical distribution and co-production of foreign and domestic feature films. Proceeds—For acquisition, co-production, dubbing, adaptation and distribution of films, and working capital. Office—1776 B'way, N. Y. Underwriters—General Securities Co., Inc., and S. Kasdan & Co., Inc., N. Y. Offering—Expected sometime in December.

★ **Ivest Fund, Inc.**

Feb. 20, 1961 filed 150,000 shares of common stock. Price—Net asset value at the time of the offering. Business—A non-diversified, open-end investment company, whose stated objective is capital appreciation. Proceeds—For investment. Office—One State Street, Boston. Underwriter—Ivest, Inc., One State Street, Boston.

★ **James Vending Machine Co., Inc.**

Aug. 11, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Sale, servicing and operation of vending ma-

chines. Proceeds—Purchase of trucks, development and general corporate purposes. Office—5523 Illinois Ave., N. W., Washington 11, D. C. Underwriter—Mitchell, Carroll & Co., Inc., Washington, D. C.

★ **Jarrell-Ash Co.**

Aug. 17, 1961 filed 60,000 class A common shares and 9,000 outstanding voting trust certificates (representing beneficial interest in 9,000 class B common shares). Price—By amendment. Business—The manufacture of optical instrumentation. Proceeds—For repayment of loans and working capital. Office—7 Farwell St., Newtonville, Mass. Underwriters—Stearns & Co., New York and Clayton Securities Corp., Boston. Offering—Expected in early November.

★ **Jayark Films Corp. (11/6-10)**

Aug. 24, 1961 filed 72,000 common, of which 50,000 are to be offered by the company and 22,000 by stockholders. Price—By amendment. Business—The distribution of motion picture and television films. Proceeds—For production of films and working capital. Office—15 E. 48th St., N. Y. Underwriter—Pacific Coast Securities Co., San Francisco.

★ **Jefferson Counsel Corp. (10/16-20)**

March 13, 1961 filed 30,000 of class B common stock (non-voting). Price—\$10 per share. Business—The company was organized under Delaware law in January 1961 to sponsor the organization of the Jefferson Growth Fund, Inc., a new open-end diversified investment company of the management type. Proceeds—For organizational and operating expenses. Office—52 Wall St., N.Y.C. Underwriter—None.

★ **Johnson (J. N.) Co., Inc.**

Sept. 28, 1961 ("Reg. A") 105,000 common. Price—\$1. Proceeds—For lease of equipment and plant investment. Office—204 Washington Ave., N., Minneapolis. Underwriter—None.

★ **Johnson Electronics, Inc.**

Sept. 8, 1961 filed 125,000 capital shares. Price—By amendment. Business—The design and production of special electronic components for the commercial and military market. Proceeds—For the repayment of debt, and working capital. Address—Box 7, Casselberry, Fla. Underwriter—Warner, Jennings, Mandel & Longstreth, Philadelphia.

★ **Jorn's Greeting Card Co., Inc.**

Sept. 28, 1961 filed 110,000 common. Price—By amendment. Business—Manufacture and sale of greeting cards. Proceeds—For repayment of loans, expansion and working capital. Office—106-11 157th St., Jamaica, N. Y. Underwriter—Godfrey Hamilton, Taylor & Co., Inc., N. Y.

★ **Joyce Teletronics Corp.**

Aug. 31, 1961 ("Reg. A") 55,000 common. Price—\$5. Business—The manufacture of electronic instruments used in communication. Proceeds—For working capital, new products and repayment of loans. Office—20 Madison Ave., Hicksville, N. Y. Underwriter—General Securities Co., Inc., N. Y. Offering—Expected sometime in December.

★ **Julyn Sportswear, Inc.**

Sept. 7, 1961 filed 125,000 class A. Price—\$5. Business—The manufacture of maternity clothes and sportswear. Proceeds—For working capital. Office—237 W. 35th St., N.Y. Underwriter—Mortimer B. Burnside & Co., Inc., N.Y.

★ **Kaiser Electronics, Inc.**

Aug. 22, 1961 ("Reg. A") 50,000 common. Price—\$4.50. Business—The manufacture of electronic power conversion equipment. Proceeds—For repayment of loans, new products, equipment, inventory, sales promotion and working capital. Office—3 Monroe St., Union N. J. Underwriter—Schirmer, Atherton & Co., Boston.

★ **Kaliko Development Corp.**

Sept. 29, 1961 ("Reg. A") 20,000 common. Price—\$10. Office—1328-13th St., Columbus, Ga. Underwriter—None.

★ **Kaufman & Broad Building Co. (10/23-27)**

Aug. 11, 1961 filed 174,500 common shares, of which 124,500 shares are to be offered by the company and 50,000 shares by stockholders. Price—By amendment. Business—The construction and sale of low-priced homes. Proceeds—For repayment of loans and working capital. Office—18610 W. Eight Mile Road, Southfield, Mich. Underwriter—Bache & Co., New York (managing).

★ **Keller Corp.**

June 29, 1961 filed \$1,200,000 of 6½% convertible subord. debentures due 1968. Price—At 100%. Business—Development of land, construction of homes and related activities in Florida. Proceeds—Repayment of debt, acquisition of Yetter Homes, Inc., and general corporate purposes. Office—101 Bradley Place, Palm Beach, Fla. Underwriter—Casper Rogers & Co., Inc., N. Y. Offering—Expected late in December.

★ **Kendall Industries, Inc. (11/15)**

Sept. 11, 1961 filed 150,000 common, of which 100,000 are to be offered by the company and 50,000 by a selling stockholder. Price—\$4. Business—The manufacture of sliding aluminum windows and doors. Proceeds—For equipment and general corporate purposes. Office—5581 Air Terminal Dr., Fresno, Calif. Underwriter—Currier & Carlsen, Inc., Los Angeles (mgr.).

★ **Kent Dry Cleaners, Inc. (11/2)**

Aug. 25, 1961 filed 165,000 common, of which 45,000 are to be offered by the company and 120,000 by stockholders. Price—\$5. Business—The dry cleaning and storage of clothes. Proceeds—For working capital and general corporate purposes. Office—1745 Clintonville St., Whitestone (Queens) N. Y. Underwriter—Arnold Malkan & Co., Inc., N. Y. C.

★ **Kent Washington, Inc. (10/16)**

July 19, 1961 filed 200,000 common shares. Price—\$5. Business—General real estate. Proceeds—For repayment

of loans, working capital, construction and other corporate purposes. Office—1420 K Street, N. W., Wash., D. C. Underwriter—Hodgdon & Co., Inc., Wash., D. C.

Kentucky Central Life & Accident Insurance Co.
Aug. 16, 1961 filed 400,000 class A non-voting common shares, of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. Price—From \$13 to \$17 per share. Proceeds—To increase capital and surplus. Address—Anchorage, Ky. Underwriter—Stifel, Nicolaus & Co., St. Louis (mgr.). Offering—Expected in late October.

Kenwin Shops, Inc.
Sept. 27, 1961 filed 80,000 common. Price—\$5. Business—Operates a chain of women's and children's apparel stores. Proceeds—Repayment of debt, expansion and working capital. Office—249 W. 34th St., N. Y. Underwriters—D. H. Blair & Co., N. Y., and Johnson, Lane, Space Corp., Savannah.

• **Keystone Steel & Wire Co. (10/23-27)**
Aug. 23, 1961 filed \$20,000,000 of convertible subordinated debentures due 1981. Price—By amendment. Business—The production of steel. Proceeds—For the repayment of debt and working capital. Office—Peoria, Ill. Underwriters—Hornblower & Weeks and Eastman Dillon, Union Securities & Co. (co-mgrs.)

Kiddle Rides, Inc.
Sept. 12, 1961 filed \$1,000,000 of 7% convertible subordinated debentures due 1971 and 30,000 common to be offered in units of \$1,000 debentures and 30 of common. Price—By amendment. Business—The operation of coin operated children's amusement equipment. Proceeds—For repayment of loans, equipment and general corporate purposes. Office—2557 W. North Ave., Chicago. Underwriter—Paul C. Kimball & Co., Chicago.

★ **Kinetics Corp.**
Sept. 26, 1961 ("Reg. A") \$300,000 of 6½% convertible subordinated debentures due Oct. 1, 1971 to be offered for subscription by stockholders and employees. Price—At par (\$100). Business—Manufacture of electronic and electro-mechanical devices. Proceeds—Debt repayment, and equipment. Office—410 Cedros Ave., Solana Beach, Calif.—Underwriter—None.

King Louie Bowling Corp.
Sept. 27, 1961 filed 325,000 common. Price—\$3. Business—Operates a chain of bowling centers. Proceeds—Repay debt and for other corporate purposes. Office—8788 Metcalfe Rd., Overland Park, Kan. Underwriter—George K. Baum & Co., Kansas City, Mo.

Knappe & Vogt Manufacturing Co.
Sept. 11, 1961 filed 263,750 common. Price—By amendment. Business—The manufacture of specialty hardware items. Proceeds—For the selling stockholders. Office—658 Richmond St., N. W. Grand Rapids, Mich. Underwriter—Glore, Forgan & Co., N. Y. (mgr.).

Knickerbocker Toy Co., Inc.
Sept. 27, 1961 filed 100,000 common. Price—By amendment. Business—Design and manufacture of toys. Proceeds—For working capital. Office—401 Butler St., Brooklyn, N. Y. Underwriter—Netherlands Securities Co., Inc., N. Y.

Korfund, Inc.
Sept. 8, 1961 filed \$600,000 of 6½% convertible subord. debentures due 1971 and 180,000 common to be offered for public sale in units, each consisting of \$100 of debentures and 30 common. Of the 180,000 shares, 40,000 will be sold by the company and 140,000 by Massachusetts Mohair Plush Co., Inc., sole stockholder. Price—By amendment. Business—The manufacture of vibration, shock and noise control products and the distribution of European made electronic and mechanical instruments. Proceeds—For the repayment of debt, and working capital. Office—16 E. 34th St., N. Y. Underwriter—Street & Co., Inc., N. Y. (mgr.).

Koster-Dana Corp.
Sept. 28, 1961 filed 70,000 common. Price—\$5. Business—Publishing of informational booklets for financial, commercial and industrial organizations. Proceeds—Debt repayment and working capital. Office—76 Ninth Ave., N. Y. Underwriter—Gianis & Co., N. Y.

Kratter Corp.
Sept. 27, 1961 filed \$100,000,000 of 6% subord. debentures due 1976 (with attached five-year warrants to purchase 2,000,000 class A common) to be offered to holders of class A and class B shares at the rate of \$1,000 of debentures for each 50 shares held. Price—\$1,000. Business—Real Estate investment. Proceeds—Repayment of debt, investment, and corporate purposes. Office—521 5th Ave., N. Y. Underwriter—None.

★ **Krauser Equipment Co., Inc.**
Sept. 29, 1961 ("Reg. A") 150,000 common. Price—\$2. Proceeds—For debt repayment, inventory, equipment and working capital. Office—919 Pickett Rd., Fairfax, Va. Underwriter—None.

Kronfeld (Phil), Inc.
July 28, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price—\$4. Business—The operation of men's retail stores. Proceeds—For a new store, working capital and general corporate purposes. Office—201 W. 49th St., N. Y. Underwriter—Kerns, Bennett & Co., Inc., N. Y.

Kulicke & Soffa Manufacturing Co.
Aug. 15, 1961 filed 122,980 common shares, of which 100,000 shares are to be offered by the company and 22,980 shares by stockholders. Price—By amendment. Business—The manufacture of machinery for production of transistors and similar devices. Proceeds—For payment of taxes, new products, down payment on a new plant and general corporate purposes. Office—401 N. Broad St., Philadelphia. Underwriter—Marron, Sloss & Co., Inc., New York (managing).

L. L. Drug Co., Inc.

July 26, 1961 filed 100,000 common shares. Price—\$4.50. Business—The manufacture of pharmaceuticals. Proceeds—For repayment of a loan, purchase of equipment, research and development, advertising and working capital. Office—1 Bala Ave., Bala-Cynwyd, Pa. Underwriter—Stevens Investment Co., Bala-Cynwyd, Pa. Offering—Expected in late October.

★ L. M. Plastics Co., Inc.

Sept. 25, 1961 ("Reg. A") 175,000 common. Price—\$1.15. Business—Manufacture of plastic products. Proceeds—Plant expansion and equipment, debt repayment, research and development, advertising and working capital. Office—6524 Walker St., Minneapolis. Underwriter—None.

Lance, Inc.

Aug. 30, 1961 filed 364,000 common. Price—By amendment. Business—The manufacture of peanut butter filled delicacies. Proceeds—For the selling stockholders. Office—1304 S. Blvd., Charlotte, N. C. Underwriter—R. S. Dickson & Co., Charlotte, N. C. (mgr.).

Lehigh Acres Utilities & Investment Co.

Sept. 26, 1961 filed 100,000 common. Price—\$5. Business—Operates a water treatment plant, sewage disposal plant, and LP-gas distribution facilities. Proceeds—Repay debt, expansion and working capital. Office—800-71st St., Miami Beach, Fla. Underwriter—None.

• Leslie (Joyce), Inc.

Sept. 28, 1961 filed 100,000 common. Price—\$5.50. Business—Retailing of women's apparel. Proceeds—For expansion, inventories and working capital. Office—850 Flatbush Ave., Brooklyn. Underwriter—Seymour, Bernard & DuBoff, Inc., N. Y.

Lewis & Clark Marina, Inc.

May 9, 1961 (letter of notification) 150,000 shares of common stock (par \$1). Price—\$2 per share. Address—Yankton, S. D. Underwriter—The Apache Investment Planning Division of the Apache Corp., Minneapolis. Offering—Expected sometime in November.

• Lewis (Tillie) Foods, Inc. (10/16-20)

July 3, 1961 filed 400,000 common shares (par \$1), of which 200,000 shares are to be offered by the company and 200,000 shares by stockholders. Price—By amendment. Business—The processing, canning, bottling and selling of fruits and vegetables. Proceeds—For repayment of debt and working capital. Office—Fresno Ave. & Charter Way, Stockton, Calif. Underwriter—Van Alstyne, Noel & Co., New York (managing).

Libby International Corp.

Aug. 3, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—The distribution of tractors and farm equipment manufactured by Kramer-Werke, a German company. Proceeds—For repayment of loans, inventory and working capital. Office—325 W. Houston Street, New York. Underwriter—Tau Inc., New York.

Liberian American-Swedish Minerals Co.

Sept. 14, 1961 filed \$5,871,500 of 4.167% subordinated debentures due 1985 to be offered for subscription by stockholders of International African American Corp. Latter stockholders will receive Class C rights to acquire the debentures and 176,145 of Liberian Iron Ore Ltd., parent, in units, each consisting of \$100 of debentures and 3 Liberian Iron Ore. Price—\$104 per unit. Business—The commercial exploitation of iron ore deposits in Liberia. Proceeds—For the selling stockholder. Address—Monrovia, Liberia. Underwriter—None.

Liberian Iron Ore Ltd.

Sept. 14, 1961 filed 436,327 capital shares to be offered for subscription by stockholders of International African American Corp. Latter stockholders will receive class A rights to acquire 40,000 capital shares on the basis of one for each 22 held; class B rights to acquire 220,182 on the basis of one for each four held; and class C rights to acquire 176,145 shares and \$5,871,500 of debentures of Liberian American-Swedish Minerals Co., subsidiary, in units, each consisting of \$100 of debentures and three Liberian Iron shares. Price—Class A—\$10; Class B—\$15.85; Class C—\$104 per unit. Proceeds—For the selling stockholder. Business—A holding company for stock of Liberian American-Swedish Minerals Co., which is engaged in the exploitation of iron ore deposits in Liberia. Address—Prince Edward Island, Canada. Underwriter—None.

• Lido Corp. (11/13-17)

Aug. 29, 1961 ("Reg. A") 84,000 common. Price—\$3.25. Business—The manufacture of toys, games and novelties. Proceeds—For new equipment, advertising, and repayment of loans. Office—349 Rider Ave., Bronx 51, N. Y. Underwriter—Flomenhaft, Seidler & Co., Inc., N. Y.

Lincoln Fund, Inc. (11/20-24)

March 30, 1961 filed 951,799 shares of common stock Price — Net asset value plus a 7% selling commission. Business — A non-diversified, open-end, management-type investment company whose primary investment objective is capital appreciation and, secondary, income derived from the sale of put and call options. Proceeds—For investment. Office—300 Main St., New Britain, Conn. Distributor—Horizon Management Corp., New York.

Lincoln Liberty Life Insurance Co. (10/30-11/3)

Sept. 15, 1961 filed 200,000 common. Price—By amendment. Business—The writing of ordinary life insurance. Proceeds—For the selling stockholders. Office—1518 Milam St., Houston, Texas. Underwriter—Bache & Co., New York.

Liverpool Industries, Inc. (10/16)

Aug. 1, 1961 "Reg. A" 85,700 common shares (par 10 cents). Price—\$3.50. Business—The manufacture of precision parts for the aircraft and electronic industries. Proceeds—For sales promotion and working capital. Office—162 57th Street, Brooklyn, N. Y. Underwriter—Arden Perin & Co., Inc., New York.

Lomart Perfected Devices, Inc.

Sept. 14, 1961 filed 100,000 common. Price—\$5. Business—The manufacture of pool filters and accessories and tools, dies, metal stampings, etc. Proceeds—For moving expenses, purchase of equipment, promotion of a new product and working capital. Office—199 Bleecker St., Brooklyn, N. Y. Underwriter—None.

Longs Drug Stores, Inc. (11/6-10)

Aug. 24, 1961 filed 190,000 outstanding common. Price—By amendment. Business—The company operates a chain of drug stores in California and Hawaii. Proceeds—For the selling stockholders. Office—5301 Broadway, Oakland, Calif. Underwriter—Merrill Lynch, Pierce, Fenner & Smith Inc. N. Y. C. (mgr.).

Lortogs, Inc. (10/23-27)

July 26, 1961 filed 200,000 common, of which 150,000 are to be offered by the company and 50,000 by the stockholders. Price—\$6.50. Business—Manufacture of children's sportswear. Proceeds—Repayment of loans; inventories; new products; working capital, and general corporate purposes. Office—85 Tenth Ave., N. Y. Underwriter—Reich & Co., N. Y.

Louis Sherry Preserves, Inc.

Sept. 21, 1961 filed 200,000 common. Price—\$4. Business—Manufacture of fresh fruit preserves and jellies. Proceeds—Plant expansion, advertising, repayment of debt, and working capital. Office—30-30 Northern Blvd., Long Island City, N. Y. Underwriter—Stanley Heller & Co., N. Y. Offering—Expected sometime in November.

★ Ludwig Engineering & Science

Oct. 5, 1961 filed 125,000 common. Price—By amendment. Business—Renders engineering and research services. Proceeds—For equipment, debt repayment and working capital. Office—150 E. Foodhill Blvd., Arcadia, Calif. Underwriter—Dempsey-Tegeler & Co., Inc., St. Louis.

• Lum's, Inc. (10/16-20)

Sept. 14, 1961 ("Reg. A") 100,000 class A common. Price—\$1. Proceeds—For expansion. Business—The operation of a specialty restaurant chain. Office—2302 Collins Ave., Miami Beach, Fla. Underwriter—Bayes, Rose & Co., Inc., N. Y.

• Lunar Enterprises, Inc. (11/20-24)

Aug. 31, 1961 filed 125,000 common. Price—\$5.75. Business—The production of television films. Proceeds—For filming and production and working capital. Office—1501 Broadway, N. Y. Underwriter—Ehrlich, Irwin & Co., Inc., 50 Broadway, N. Y.

Lundy Electronics & Systems, Inc.

Sept. 19, 1961 filed 175,000 common. Price—\$4. Business—The manufacture of electronic, electro-mechanical and hydraulic systems for aircraft, missiles and space vehicles. Proceeds—For research and development, sales promotion and working capital. Office—Glen Head, N. Y. Underwriter—Michael G. Kletz & Co., Inc., N. Y.

Lusk Corp. (11/13-17)

Aug. 30, 1961 filed \$1,250,000 or 6½% convertible subordinated debentures due 1971, 200,000 common and 5-year warrants to purchase 50,000 common to be offered in 50 units each consisting of \$25 of debentures, 4 common and one warrant. Price—By amendment. Business—Development of residential communities. Proceeds—For working capital and general corporate purposes. Office—6910 E. Broadway, Tucson. Underwriter—Burnham & Co., N. Y. (mgr.).

• M P I Glass Fibers, Inc.

April 27, 1961 (letter of notification) 150,000 shares of common stock (par one cent). Price—\$2 per share. Business—The manufacture of a new patented fiber glass material to be used in rocket motor cases. Proceeds—For expenses, equipment and working capital. Office—1025 Shoreham Bldg., Washington, D. C. Underwriter—To be named. Note—This company formerly was named Industrial Materials, Inc.

Macfadden Publications, Inc.

Sept. 28, 1961 filed \$5,300,000 of convertible subord. debentures due 1971. Price—At par. Business—Book and magazine publishing. Proceeds—Debt repayment, moving expenses and working capital. Office—205 E. 42nd St., N. Y. Underwriters—First Broad Street Corp. and Lieberman & Co., N. Y.

MacLevy Associates, Inc. (10/16-20)

July 20, 1961 ("Reg. A") 150,000 common shares (par one cent). Price—\$2. Business—The distribution of health, exercise and slenderizing equipment. Proceeds—For repayment of loans, equipment, new products, sales promotion and advertising, plant removal and working capital. Office—189 Lexington Ave., N. Y. 16, N. Y. Underwriter—Continental Bond & Share Corp., Maplewood, N.J.

Macoid Industries, Inc.

Sept. 28, 1961 filed 300,000 common, of which 100,000 are to be offered by the company and 200,000 by stockholders. Price—\$5. Business—Molding of plastic products for the automobile, electrical utility and telephone industries. Proceeds—For working capital. Office—12340 Cloverdale, Detroit. Underwriters—Charles Plohn & Co., N. Y. and Edwards & Hanly, Hempstead, N. Y.

• Magazines For Industry, Inc. (11/6-10)

Aug. 2, 1961 filed 135,000 common shares. Price—By amendment. Business—The publishing of business periodicals. Proceeds—For promotion, a new publication and working capital. Office—660 Madison Ave., New York. Underwriter—S. D. Fuller & Co., N. Y. (mgr.).

• Magna Pipe Line Co., Ltd. (10/16-20)

June 1, 1961 filed 750,000 common shares, of which 525,000 will be offered for sale in the U. S., and 225,000 in Canada. Price—By amendment. Business—The company plans to build and operate an underwater natural gas transmission pipeline from British Columbia to Van-

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cover Island and a subsidiary will build a pipeline from Bremerton to Port Angeles, Washington. **Proceeds**—For construction. **Office**—508 Credit Foncier Bldg., Vancouver, B. C. **Underwriters**—(In U. S.) Bear, Stearns & Co., New York. (In Canada) W. C. Pitfield & Co., Ltd., Montreal.

Mairs & Power Income Fund, Inc. (10/23-27)
June 7, 1961 filed 40,000 common shares. **Price**—By amendment. **Business**—A mutual fund. **Proceeds**—For investment. **Office**—1002 First National Bank Bldg., St. Paul, Minn. **Underwriter**—None.

Major Finance Corp.
Aug. 18, 1961 filed \$200,000 of 7% senior subordinated debentures due 1971 (with attached warrants) and 100,000 common shares to be offered in units consisting of \$100 debenture (with a warrant to purchase one common share at \$4) and 50 common shares. **Price**—\$300 per unit. **Business**—Consumer finance. **Proceeds**—For working capital. **Office**—912 Thayer Ave., Silver Spring, Md. **Underwriter**—Manhattan Eastern Corp., N. Y. (mgr.)

Malone & Hyde, Inc.
Sept. 1, 1961 filed 275,000 common, of which 100,000 are to be offered by the company and 175,000 by the stockholders. **Price**—By amendment. **Business**—The procurement, warehousing and sale of groceries, meats, produce, etc., to retail grocers. **Proceeds**—For working capital. **Office**—1700 Dunn Ave., Memphis, **Underwriter**—Equitable Securities Corp., Nashville (mgr.).

Management Fund, Inc.
Sept. 28, 1961 ("Reg. A") \$250,000 of five-year-8% registered bonds. **Price**—\$500 per unit. **Business**—Financing of commercial and industrial concerns. **Proceeds**—General corporate purposes. **Office**—26 Journal Sq., Jersey City 6, N. J. **Underwriter**—None.

Mann Research Laboratories, Inc.
Sept. 21, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Sale of scientifically tested biochemicals and pharmaceuticals. **Proceeds**—For new quarters, equipment, a laboratory, inventories and working capital. **Office**—136 Liberty St., N. Y. **Underwriter**—L. D. Sherman & Co., N. Y.

Manson Laboratories, Inc.
Sept. 26, 1961 filed 200,000 common. **Price**—\$5. **Business**—Research and manufacture of equipment for military and industrial applications. **Proceeds**—Repayment of debt, equipment research and development, and working capital. **Office**—375 Fairfield Ave., Stamford, Conn. **Underwriter**—Amos Treat & Co., N. Y. **Offering**—In November.

March Dynamics Inc.
Aug. 28, 1961 filed 125,000 common. **Price**—\$2.50. **Business**—The manufacture of mechanical and electro-mechanical components. **Proceeds**—For equipment and working capital. **Office**—920 S. Oyster Bay Rd., Hicksville, N. Y. **Underwriter**—Paul Eisenberg & Co., N. Y. C.

Mark Truck Rental Corp.
June 28, 1961 ("Reg. A") 50,000 common shares (par one cent). **Price**—\$1. **Proceeds**—For working capital. **Office**—301 Cliff Ave., Scranton, Pa. **Underwriter**—Vickers MacPherson & Warwick, N. Y. **Note**—This letter will be withdrawn.

Marks Polarized Corp.
June 27, 1961 filed 95,000 common shares. **Price**—By amendment. **Proceeds**—For expansion, acquisition of new facilities and other corporate purposes. **Office**—153-16 Tenth Ave., Whitestone, N. Y. **Underwriters**—Ross, Lyon & Co., Inc. (mgr.), Glass & Ross, Inc., and Globus, Inc., N. Y. C.

Marlene Industries Corp. (11/13-17)
Aug. 29, 1961 filed 225,000 common, of which 150,000 are to be offered by the company and 75,000 by stockholders. **Price**—\$7. **Business**—The manufacture of ladies' wear. **Proceeds**—For working capital. **Office**—141 W. 36th St., N.Y.C. **Underwriter**—Bernard M. Kahn & Co., Inc., N.Y.C.

Marshall Industries (10/23-27)
Aug. 4, 1961 filed 131,305 common. **Price**—By amendment. **Business**—The manufacture of electronic components and instruments primarily for space and missile applications. **Proceeds**—For repayment of debt and advances to subsidiaries. **Office**—2065 Huntington Dr., San Marino, Calif. **Underwriters**—William R. Staats & Co., Los Angeles and Shearson, Hammill & Co., N. Y. (mgr.).

Martin Yale Business Machines Corp.
Sept. 27, 1961 filed 100,000 common (with attached three-year warrants to purchase 40,000 shares at \$5, to be offered in units of one share and a warrant to purchase 0.4 share. **Price**—\$3.50 per unit. **Business**—Manufacture of paper cutters and trimmers, paper folding machines, photographic dark room accessories and envelope opening machines. **Proceeds**—Advertising sales, promotion, new products and working capital. **Office**—2450 Estes Ave., Elk Grove Village, Ill. **Underwriter**—Arnold Malkan & Co., Inc., N. Y.

Medco, Inc.
July 13, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business**—The operation of jewelry concessions in closed-door membership department stores. **Proceeds**—For expansion. **Office**—1211 Walnut St., Kansas City, Mo. **Underwriters**—Barret, Fitch, North & Co., Inc. (managing) and Midland Securities Co., Inc., Kansas City, Mo. **Offering**—Imminent.

Medex, Inc.
Sept. 27, 1961 filed 110,000 common. **Price**—By amendment. **Business**—Development and manufacture of a limited line of hospital and surgical supplies. **Proceeds**—For construction, inventory, research and working capital. **Office**—1488 Grandview Ave., Columbus, Ohio. **Underwriter**—Globus, Inc., N. Y. **Offering**—Expected in December.

Meehan-Tooker Co., Inc.

Sept. 8, 1961 filed 100,000 common. **Price**—\$5. **Business**—The printing of advertising material, annual reports, booklets etc., by offset lithography. **Proceeds**—For the purchase of a high-speed press, the repayment of debt, establishment of a new department, and working capital. **Office**—170 Varick St., N. Y. **Underwriters**—Harry Odzer Co., N. Y. and Bruno-Lenchner, Inc., Pittsburgh. **Offering**—Expected sometime in December.

Mercury Photo Corporation (12/18-22)
Sept. 26, 1961 filed 100,000 class A. **Price**—\$5. **Business**—Processing and wholesaling of photographic film, etc. **Proceeds**—For expansion, equipment, and working capital. **Office**—275 Clinton Ave., Newark, N. Y. **Underwriter**—General Securities Co., N. Y.

Merit Associates, Inc.
Sept. 5, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Plastic fabrication. **Proceeds**—For debt payment, equipment, advertising and working capital. **Office**—3 Sidney Court, Lindenhurst, N. Y. **Underwriters**—M. Posey Associates Ltd., and Alkow & Co., Inc., N. Y.

Met Food Corp.
Aug. 25, 1961 filed 150,000 common. **Price**—\$4. **Business**—The distribution of food to retail stores in New York City. **Proceeds**—For general corporate purposes. **Office**—345 Underhill Blvd., Syosset, N. Y. **Underwriter**—Brand, Grumet & Seigel, Inc., N. Y. C. (mgr.)

Metal Bellows Corp.
Sept. 1, 1961 filed 140,000 common, of which 120,000 are to be offered by the company and 20,000 by a stockholder. **Price**—By amendment. **Business**—The manufacture of welded diaphragm bellows. **Proceeds**—For moving expenses, equipment, research and development, repayment of debt and working capital. **Office**—27 Mica Lane, Wellesley, Mass. **Underwriter**—Estabrook & Co., Boston.

Metallurgical International, Inc.
Sept. 26, 1961 filed 145,000 class A. **Price**—\$3. **Business**—Reprocessing and manufacturing of rare refractory metals. **Proceeds**—Repay debt, taxes, purchase equipment, and working capital. **Office**—174 Main Ave., Wellington, N. J. **Underwriter**—Mortimer B. Burnside & Co., N. Y.

Metropolitan Acceptance Corp.
Oct. 2, 1961 filed \$300,000 of 6% subordinated convertibles due 1967 and 60,000 common shares to be offered in units consisting of \$100 of debentures and 20 common shares. **Price**—\$150 per unit. **Business**—Financing of retail sales. **Proceeds**—For working capital. **Office**—5422 Western Ave., Chevy Chase, Md. **Underwriter**—R. Baruch & Co., Washington, D. C.

Metropolitan Telecommunications Corp.
Sept. 15, 1961 filed 240,000 common, of which 225,000 will be sold for the company and 15,000 for a stockholder. **Price**—By amendment. **Business**—The manufacture of communications equipment, transformers, filters, relays, etc. **Proceeds**—For the purchase of Grow Solvent Co., Inc., and for working capital. **Office**—Ames Court, Plainview, N. Y. **Underwriters**—M. L. Lee & Co., and Milton Blauner & Co., N. Y.

Micro-Letric, Inc.
June 12, 1961 ("Reg. A") 55,000 common shares (par 10 cents). **Price**—\$4. **Business**—The manufacture and design of potentiometers used in computers, ground control guidance systems and missiles. **Proceeds**—For tooling and production; repayment of loans; equipment; advertising; research and development and working capital. **Office**—19 Debevoise Avenue, Roosevelt, N. Y. **Underwriter**—Underhill Securities Corp., N. Y. **Offering**—Imminent.

Micro-Precision Corp. (10/16-20)
July 28, 1961 ("Reg. A") 100,000 common shares (par 20 cents). **Price**—\$3. **Business**—The development and manufacture of language laboratories for the electronics educational field and the manufacture of electronic and micro-wave components. **Proceeds**—For expansion and working capital. **Office**—55 Ninth St., Brooklyn, N. Y. **Underwriters**—Manufacturers Securities Corp., New York (managing); Bioren & Co., Boenning & Co., Philadelphia, Chace, Whiteside & Winslow, Inc., Draper, Sears & Co., and Schirmer, Atherton & Co., Boston.

Micron Plastics Corp.
Sept. 15, 1961 ("Reg. A") 50,000 common. **Price**—\$4. **Business**—Manufacture of plastic film. **Proceeds**—For building improvements, new equipment and working capital. **Office**—640 Dean St., Brooklyn. **Underwriter**—S. Schramm & Co., N. Y.

Middle Atlantic Credit Corp. (10/23)
July 27, 1961 filed \$120,000 of 6½% subordinated debentures due 1971 and 60,000 common shares to be offered in units consisting of \$200 of debentures and 100 shares of stock. **Price**—\$500 per unit. **Business**—A commercial and industrial finance company. **Proceeds**—For working capital. **Office**—1518 Walnut St., Philadelphia. **Underwriters**—R. L. Scheinman & Co., and A. W. Benkert & Co., Inc., New York.

Middle Atlantic Investment Co. (10/23)
June 22, 1961 filed 70,000 common shares. **Price**—\$10. **Business**—An investment company. **Proceeds**—For investment and working capital. **Address**—Elkins Park, Pa. **Underwriter**—Best & Garey Co., Inc., Wash., D. C.

Midwest Budget & Loan Corp.
Sept. 12, 1961 filed \$300,000 of 6% subordinated debentures due Aug. 1, 1973 to be offered in units of \$500 and \$1,000. **Business**—Purchasing of conditional sales contracts. **Office**—5806 W. Burleigh St., Milwaukee, Wis. **Underwriter**—The Marshall Co., Milwaukee.

Midwest Technical Development Corp. (10/23-27)
July 14, 1961 filed 800,000 common shares. **Price**—By amendment. **Business**—A small business investment

company. **Proceeds**—For investment. **Office**—2615 First National Bank Bldg., Minneapolis. **Underwriters**—Lee Higginson Corp., New York and Piper, Jaffray & Hopwood, Minneapolis.

Midwestern Financial Corp.
Aug. 28, 1961 filed 260,000 common, of which 75,000 are to be offered by the company and 185,000 by stockholders. **Price**—By amendment. **Business**—A holding company for savings and loan associations, mortgage companies, a manufacturing company, a small business investment company, etc. **Proceeds**—For repayment of debt. **Office**—2011-13th St., Boulder, Colo. **Underwriters**—Boettcher & Co. and Bosworth, Sullivan & Co., Inc., Denver (co-mgrs.)

Milgray Electronics, Inc.
Sept. 26, 1961 filed 166,667 common. **Price**—By amendment. **Business**—Wholesaler and distributor of electronic parts. **Office**—136 Liberty St., N. Y. **Underwriter**—Marion, Sloss & Co., Inc., N. Y.

Milo Components, Inc.
Aug. 15, 1961 ("Reg. A") 170,000 class A shares (par 10 cents). **Price**—\$1. **Business**—The manufacture of precision components, assemblies for aircraft, armaments, computers, floor waxers and industrial vacuum cleaners. **Proceeds**—For equipment, research and development, repayment of loans and working capital. **Office**—9 Cleveland Street, Valley Stream, N. Y. **Underwriter**—Nelson Securities, Inc., Hempstead, N. Y.

Miner Industries, Inc. (10/23-27)
Aug. 10, 1961 filed 120,000 common shares. **Price**—\$4.50. **Business**—The manufacture of toys. **Proceeds**—For new products, advertising and working capital. **Office**—430 Southern Boulevard, New York. **Underwriters**—Golkin, Bomback & Co. and Oppenheimer & Co., New York.

Minuit Investing Corp.
Aug. 4, 1961 ("Reg. A") 28,000 shares of 80 cents cumulative, participating preferred stock (par \$1). **Price**—\$10. **Business**—An investment company. **Proceeds**—For acquisitions, working capital and general corporate purposes. **Office**—225 Broadway, New York 7, N. Y. **Underwriter**—Pine Tree Securities, Inc., N. Y.

Miss Elliette, Inc.
Oct. 10, 1961 filed 100,000 common. **Price**—By amendment. **Business**—Design, manufacture and distribution of women's dresses. **Proceeds**—For debt repayment, inventory and expansion. **Office**—1919 S. Los Angeles St., Los Angeles. **Underwriter**—L. F. Rothman & Co., N. Y.

Miss Pat
Aug. 31, 1961 filed 100,000 outstanding common. **Price**—By amendment. **Business**—The manufacture of women's apparel. **Proceeds**—For the selling stockholders. **Office**—860 S. Los Angeles St., Los Angeles. **Underwriter**—Mitchum, Jones & Templeton, Los Angeles (mgr.).

Missile-Tronics Corp.
May 8, 1961 (letter of notification) 151,900 shares of common stock (par 10 cents). **Price**—\$1.50 per share. **Business**—The manufacturers of technical equipment. **Proceeds**—For payment of loans; machinery and office equipment; reduction of current liabilities; research and development and working capital. **Office**—245 4th St., Passaic, N. J. **Underwriter**—Hopkins, Calamari & Co., Inc., 26 Broadway, N. Y. **Offering**—Imminent.

Missile Systems Corp.
Sept. 11, 1961 filed 140,000 common, of which 100,000 are to be offered by the company and 40,000 by the stockholders. **Price**—By amendment. **Business**—The manufacture of electro-mechanical assemblies and systems for weapons under government contracts; furnishing data processing and documentation services; the manufacture of multi-color harness and cable assemblies, and the manufacture of commercial lighting equipment. **Proceeds**—For working capital. **Office**—9025 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—George, O'Neill & Co., Inc., N. Y. (mgr.).

Missouri Fidelity Life Insurance Co.
July 14, 1961 filed 200,000 common shares. **Price**—By amendment. **Business**—A life insurance company. **Proceeds**—To be added to capital and surplus accounts. **Office**—4221 Lindell Blvd., St. Louis. **Underwriter**—A. C. Allyn & Co., Chicago (mgr.). **Offering**—Imminent.

Mobile Estates, Inc. (10/23-27)
June 27, 1961 filed 140,000 common shares. **Price**—\$6. **Proceeds**—To purchase land, construct and develop about 250 mobile home sites, form sales agencies and for working capital. **Office**—26 Dalbert, Carteret, N. J. **Underwriter**—Harry Odzer Co., New York (managing).

Molecular Dielectrics, Inc.
Sept. 1, 1961 filed 150,000 common, of which 135,000 are to be offered by the company and 15,000 by Cardia Co. **Price**—\$5. **Business**—The manufacture of high-temperature electronic and electrical insulation materials. **Proceeds**—For equipment, a new product and working capital. **Office**—101 Clifton Blvd., Clifton, N. J. **Underwriters**—Street & Co., Inc. and Irving Weis & Co., N. Y.

Mon-Dak Feed Lot, Inc.
July 17, 1961 filed 150,000 common shares. **Price**—\$3. **Business**—The breeding of livestock owned by others. **Proceeds**—For drilling of water test wells, purchase of land, construction, general administrative costs and working capital. **Address**—Glendive, Mont. **Underwriter**—Wilson, Ehli, Demos, Bailey & Co., Billings, Mont.

Monmouth Capital Corp. (10/16-20)
Aug. 1, 1961 filed 200,000 shares of capital stock. **Price**—\$10. **Business**—A small business investment company. **Office**—First National Bank Bldg., Main St., Freehold, N. J. **Underwriter**—Meade & Co., New York.

Monmouth Electric Co., Inc. (10/30-11/3)
Aug. 28, 1961 filed 200,000 common, of which 125,000 are to be offered by the company and 75,000 by stockholders. **Price**—\$6. **Business**—The manufacture of electronic

and electro-mechanical equipment. **Proceeds**—For new machinery, repayment of loans and working capital. **Office**—1802 Corliss Ave., Neptune, N. J. **Underwriters**—Cruttenden, Podesta & Co., Chicago and Spear, Leeds & Kellogg, N. Y. C.

Monticello Lumber & Mfg. Co., Inc.

April 11, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—Sale of lumber, building supplies and hardware. **Proceeds**—To repay loans and for working capital. **Address**—Monticello, N. Y. **Underwriter**—J. Laurence & Co., Inc., N. Y.

• Mortgage Guaranty Insurance Co. (10/16)

Oct. 17, 1960 filed 155,000 shares of common stock (par \$1). **Price**—To be supplied by amendment. **Business**—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. **Proceeds**—For capital and surplus. **Office**—606 West Wisconsin Avenue, Milwaukee, Wis. **Underwriter**—Bache & Co., New York City (managing). **Note**—This stock is not qualified for sale in New York State.

Motor Coils Manufacturing Co. (10/23-27)

July 27, 1961 filed 100,000 common. **Price**—\$6.50. **Business**—Manufacture of armature, stator and field coils. **Proceeds**—Debt repayment, working capital and general corporate purposes. **Office**—110 Thirty-Second St., Pittsburgh. **Underwriter**—Golkin, Bomback & Co., N. Y.

• Movie Star, Inc. (10/16-20)

Aug. 9, 1961 filed 200,000 class A shares. **Price**—By amendment. **Business**—The manufacture of women's clothing. **Proceeds**—For general corporate purposes. **Office**—392 Fifth Avenue, New York. **Underwriter**—Milton D. Blauner & Co., Inc., New York (managing).

Municipal Investment Trust Fund, First Series

April 28, 1961 filed \$6,375,000 (6,250 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of the Commonwealth of Pennsylvania and its political sub-divisions. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, N. Y. C. **Offering**—Expected in early November.

Municipal Investment Trust Fund, Series B

April 28, 1961 filed \$12,750,000 (12,500 units) of interests. **Price**—To be supplied by amendment. **Business**—The fund will invest in tax-exempt bonds of states, counties, municipalities and territories of the U. S. **Proceeds**—For investment. **Sponsor**—Ira Haupt & Co., 111 Broadway, New York City.

Murray Magnetics Corp.

Aug. 15, 1961 filed 150,000 common shares. **Price**—\$6. **Business**—The financing, exploitation and sale of a new line of electric kitchen and household appliances. **Proceeds**—For the purchase of inventory, sales promotion and working capital. **Office**—230 Fifth Ave., New York. **Underwriter**—Amos Treat & Co., Inc., N. Y. **Offering**—Sometime in November.

NAC Charge Plan and Northern Acceptance Corp.

June 27, 1961 filed 33,334 class A common shares. **Price**—By amendment. **Proceeds**—For working capital. **Office**—16 East Pleasant St., Baltimore, Md. **Underwriter**—Sade & Co., Washington, D. C. (mgr.). **Offering**—Imminent.

★ Nailey's, Inc.

Oct. 9, 1961 filed 210,000 common, of which 130,000 are to be offered by the company and 80,000 by stockholders. **Price**—By amendment. **Business**—The production of food products. **Proceeds**—For a new plant, leasehold and plant improvement and working capital. **Office**—3410 S. Lawrence St., Tacoma, Wash. **Underwriter**—Blyth & Co., Inc., N. Y.

Narrow Fabric Co.

Aug. 18, 1961 filed 212,000 common shares, of which 75,000 shares are to be offered by the company and 137,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of braided, woven and knitted fabrics and production of coated and processed papers. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—7th and Reading Aves., West Reading, Pa. **Underwriter**—Drexel & Co., Philadelphia (mgr.).

Narrows Premium Corp.

Sept. 25, 1961 filed 100,000 common. **Price**—\$4. **Business**—Financing of casualty insurance premiums in New York State. **Proceeds**—General corporate purposes. **Office**—9805 Fourth Ave., Brooklyn, N. Y. **Underwriter**—Pearson, Murphy & Co., Inc., N. Y.

National Bowling Lanes, Inc. (11/20-24)

July 21, 1961 filed 150,000 capital shares. **Price**—\$5.50. **Business**—The operation of bowling centers. **Proceeds**—For expansion, repayment of loans, and working capital. **Office**—220 S. 16th Street, Philadelphia. **Underwriter**—Edward Lewis & Co., Inc., New York.

National Equipment & Plastics Corp.

Sept. 28, 1961 filed 105,000 common. **Price**—\$5. **Business**—Operation of a cleaning and pressing plant and affiliated stores. **Proceeds**—For debt repayment, store expansion and modernization and working capital. **Address**—Portage, Pa. **Underwriter**—Cortlandt Investing Corp., New York.

National Hospital Supply Co., Inc. (10/30-11/3)

June 22, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Distribution of medical supplies. **Proceeds**—For inventory, advertising and promotion, expansion, repayment of loans and working capital. **Office**—38 Park Row, N. Y. **Underwriters**—Edward Lewis & Co., Inc. and Underhill Securities Corp., N. Y.

National Industries, Inc.

Aug. 28, 1961 ("Reg. A") 50,000 common. **Price**—\$6. **Proceeds**—For equipment, inventory and operating ex-

penses. **Office**—1622 Chestnut St., Philadelphia. **Underwriter**—Mayo & Co., Inc., Philadelphia.

National Instrument Laboratories, Inc.

Aug. 29, 1961 ("Reg. A") 100,000 capital shares. **Price**—\$3. **Business**—The manufacture of precision instruments. **Office**—828 Everts St., N. E., Washington 18, D. C. **Underwriter**—Troster, Singer & Co., N. Y.

National Recreation Corp.

Sept. 27, 1961 filed 337,500 common. **Price**—\$8. **Business**—Operates a national chain of bowling centers. **Proceeds**—For the acquisition of new centers, repayment of debt and for working capital. **Office**—Time and Life Bldg., N. Y. **Underwriter**—Berger-Derman, Inc., N. Y.

National Semiconductor Corp. (10/23-27)

May 11, 1961 filed 75,000 shares of capital stock. **Price**—To be supplied by amendment. **Business**—The design, development, manufacture and sale of quality transistors for military and industrial use. **Proceeds**—For new equipment, plant expansion, working capital, and other corporate purposes. **Office**—Mallory Plaza Bldg., Danbury, Conn. **Underwriters**—Lee Higginson Corp., N. Y. C. and Piper, Jaffray & Hopwood, Minneapolis (mgr.).

National Tel-Tronics Corp.

Sept. 11, 1961 filed 133,000 common. **Price**—\$3. **Business**—The manufacture of electronic components. **Proceeds**—For repayment of a loan, expansion, new products, working capital and general corporate purposes. **Office**—52 St. Casimer Ave., Yonkers, N. Y. **Underwriter**—Frank Karasik & Co., Inc., N. Y. (mgr.).

★ National Union Life Insurance Co.

Oct. 2, 1961 ("Reg. A") 100,000 capital shares to be offered for subscription by stockholders. **Price**—\$3. **Proceeds**—To increase capital surplus. **Office**—3053 McQueen St., Montgomery, Ala. **Underwriter**—None.

• Natpac Inc. (11/6-10)

July 28, 1961 filed 100,000 common shares. **Price**—\$4.75. **Business**—The processing of meat and frozen food products; the financing, sale and servicing of home food freezers, and the operation of a supermarket. **Proceeds**—For consumer time payments, expansion, and working capital. **Office**—93-25 Rockaway Blvd., Ozone Park, N. Y. **Underwriters**—William, David & Mottl, Inc., and Flomenhaft, Seidler & Co., Inc., New York.

New England Power Co. (10/25)

Sept. 15, 1961 filed \$20,000,000 of first mortgage bonds, series I, due Nov. 1, 1991. **Proceeds**—For the repayment of short-term loans and construction. **Office**—441 Stuart St., Boston. **Underwriter**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; Kuhn, Loeb & Co.; Equitable Securities Corp.—Blair & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.—Kidder, Peabody & Co.—White, Weld & Co. (jointly); First Boston Corp.; Lehman Brothers. **Bids**—Expected Oct. 25 at 11 a.m. (EDST) at the company's office. **Information Meeting**—Oct. 23 at 2 p.m. (EDST) at the company's office.

• New Era Mining Co. (10/16-20)

July 5, 1961 filed 800,000 common shares. **Price**—50c. **Proceeds**—For equipment, working capital, repayment of debt and reserves. **Office**—9635 W. Colfax Ave., Denver. **Underwriter**—Bullock Securities Co., Cheyenne, Wyo. (mgr.).

New West Land Corp.

June 30, 1961 ("Reg. A") 200,000 common shares (par \$1). **Price**—\$1.50. **Proceeds**—For repayment of notes and acquisition of real estate interests. **Office**—3252 Broadway, Kansas City, Mo. **Underwriter**—Barret, Fitch, North & Co., Kansas City, Mo.

• New Zealand (Government of) (10/25)

Sept. 26, 1961 filed \$15,000,000 of bonds due 1976. **Price**—By amendment. **Proceeds**—To enlarge foreign exchange reserves and for a capital works program. **Address**—c/o New Zealand Embassy, Washington, D. C. **Underwriter**—Kidder, Peabody & Co., N. Y.

Niagara Mohawk Power Corp. (10/24)

Sept. 27, 1961 filed \$40,000,000 of general mortgage bonds, due Nov. 1, 1991. **Proceeds**—For repayment of loans and construction. **Office**—300 Erie Blvd. West, Syracuse, N. Y. **Underwriters**—(Competitive) Probable bidders: First Boston Corp.; Morgan Stanley & Co.; Halsey, Stuart & Co. Inc. **Bids**—Oct. 24 (11 a.m. EDST) at the offices of Messrs. LeBoeuf, Lamb & Leiby, 48th floor, One Chase Manhattan Plaza, N. Y. **Information Meeting**—Oct. 20 (11 a.m. EDST) in Room 232, 120 Broadway, N. Y.

Niagara Mohawk Power Corp. (10/24)

Sept. 27, 1961 filed 700,000 common. **Proceeds**—For repayment of loans and construction. **Office**—300 Erie Blvd. West, Syracuse, N. Y. **Underwriters**—(Competitive) Probable bidders: Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co.; White, Weld & Co. (jointly); Morgan, Stanley & Co.; First Boston Corp. (jointly). **Bids**—Oct. 24 (3:45 p.m. EDST) at the offices of Messrs. LeBoeuf, Lamb & Leiby, 48th floor, One Chase Manhattan Plaza, N. Y. **Information meeting**—Oct. 20 (11 a.m. EDST) in room 232, 120 Broadway, N. Y.

Nissen Trampoline Co.

May 4, 1961 (letter of notification) 9,400 shares of common stock (par \$1). **Price**—At the market. **Proceeds**—For the selling stockholders. **Office**—930 27th Ave., S.W., Cedar Rapids, Iowa. **Underwriter**—Yates, Heitner & Woods, St. Louis, Mo. **Note**—This issue has been temporarily postponed.

Nitrogen Oil Well Service Co.

May 22, 1961 filed 100,000 shares of common stock. **Prices**—\$10 per share for 51,000 shares to be offered to Big Three Welding Company; \$10 per share for not less than 24,500 shares being offered to holders (other than Big Three) of the outstanding common on the basis of one share for each 1½ shares held of record Sept. 28 with rights to expire Oct. 16; and \$10.00 per unsubscribed share. **Business**—The company furnishes high

pressure nitrogen to the oil and gas industry. **Proceeds**—For general corporate purposes, including \$880,000 for the purchase of 20 additional liquid nitrogen high pressure pumping units. **Office**—3602 W. 11th St., Houston, Texas. **Underwriter**—Underwood, Neuhaus & Co., Inc., Houston, Texas.

North American Acceptance Corp.

Sept. 18, 1961 filed 100,000 common. **Price**—\$8.50. **Business**—Automobile retail sales financing. **Proceeds**—For working capital. **Office**—66 East South Water St., Chicago. **Underwriter**—Hornblower & Weeks, N. Y.

North Atlantic Industries, Inc.

Sept. 26, 1961 filed 131,500 common, of which 120,000 will be sold by the company and 11,500 by a stockholder. **Price**—By amendment. **Business**—Manufacture of precision electronic instruments. **Proceeds**—Repayment of debt, new product development, inventory and working capital. **Office**—Terminal Dr., Plainview, N. Y. **Underwriter**—G. A. Saxton & Co., Inc., N. Y.

North Carolina Natural Gas Corp.

Aug. 17, 1961 filed \$2,250,000 of convertible second mortgage pipeline bonds due 1981. **Price**—By amendment. **Proceeds**—For repayment of loans, working capital and general corporate purposes. **Office**—Grace Fittman Bldg., Fayetteville, N. C. **Underwriters**—To be named.

• Northern Indiana Public Service Co.

Aug. 28, 1961 filed \$19,804,100 of 4% convertible debentures due Oct. 18, 1976 being offered for subscription by stockholders on the basis of \$100 of debentures for each 44 common held of record Sept. 29, with rights to expire Oct. 18. **Price**—At par. **Proceeds**—For working capital and construction. **Office**—5265 Hohman Ave., Hammond, Ind. **Underwriter**—Halsey, Stuart & Co. Inc., Chicago.

• Northern Natural Gas Co. (10/17)

Sept. 8, 1961, filed 435,000 common to be offered for subscription by stockholders on the basis of one for each 20 held of record Oct. 17, with rights to expire Oct. 31. **Price**—By amendment. **Proceeds**—For the repayment of debt, and construction. **Office**—2223 Dodge St., Omaha, Neb. **Underwriter**—Blyth & Co., Inc., N. Y. (mgr.).

Nuclear Corp. of America (10/23-27)

Aug. 11, 1961 filed 536,280 outstanding shares of capital stock to be offered publicly and \$2,087,800 of 5½% convertible subordinated debentures due 1976 to be offered for subscription by stockholders on the basis of \$100 of debentures for each 300 shares held. **Price**—(Stock) By amendment. (Debentures) At par. **Business**—The refining of rare earths and the manufacture of radiation instruments and vacuum tubes. **Proceeds**—For repayment of loans and working capital. **Office**—3540 W. Osborn Road, Phoenix. **Underwriter**—Bear, Stearns & Co., New York (managing).

Nutri-Laboratories, Inc.

Sept. 14, 1961 filed 100,000 common. **Price**—\$5. **Business**—The manufacture and distribution of animal foods and dog products. **Proceeds**—For marketing of "Doctor's Choice" brand, working capital and operating expenses. **Office**—1511 K St., N. W., Washington, D. C. **Underwriter**—Hirschel & Co., Silver Spring, Md.

Oceanic Instruments, Inc. (11/6-10)

Aug. 24, 1961 filed 140,000 common. **Price**—\$1. **Business**—The company plans to manufacture scientific marine instruments and provide consultation services. **Proceeds**—For organizational expenses and purchase of equipment. **Office**—1515 Norton Bldg., Seattle. **Underwriter**—Globus, Inc., N. Y.

Oklahoma Cement Co. (10/17)

Sept. 7, 1961 filed \$3,000,000 of sinking fund debentures due 1976 (with attached 10-year warrants to purchase 75,000 common). **Price**—By amendment. **Business**—The manufacture of portland cement. **Proceeds**—For construction and working capital. **Office**—First National Bank Bldg., Tulsa, Okla. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y. (mgr.).

Old Empire, Inc. (11/1)

May 1, 1961 filed \$800,000 of convertible subordinated debentures due 1971. **Price**—At par. **Business**—The manufacture, packaging and distribution of cosmetics, pharmaceuticals and household, chemical and industrial specialties. **Proceeds**—For the repayment of bank loans, property improvements and working capital. **Office**—865 Mt. Prospect Avenue, Newark, N. J. **Underwriter**—Laird, Bissell & Meeds, New York City.

Olympia Mines, Inc.

Sept. 1, 1961 filed 300,000 capital shares. **Price**—\$1.35. **Business**—The exploration and development of mines. **Proceeds**—For mining operations. **Office**—44 Court St., Brooklyn, N. Y. **Underwriter**—Gaumont Corp., Ltd., Toronto.

Orbit Industries, Inc. (10/30-11/3)

Aug. 22, 1961 filed 125,000 common shares. **Price**—\$4. **Business**—Research, development, engineering and manufacturing in the telephone, electronics and related fields. **Proceeds**—For repayment of loans, and equipment. **Office**—213 Mill St., N. E., Vienna, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

• Orbit Instrument Corp. (10/23-27)

Aug. 29, 1961 filed 100,000 capital shares. **Price**—\$4. **Business**—Production of miniature precision electro-mechanical components. **Proceeds**—Equipment, products, expansion and repayment of loans. **Office**—131 Eileen Way, Syosset, N. Y. **Underwriter**—Hardy & Co., N. Y.

• Originals Inc. (11/20-24)

Aug. 29, 1961 filed 150,000 common. **Price**—\$9.25. **Business**—The manufacture of women's coats. **Proceeds**—For the selling stockholders. **Office**—512 Seventh Ave., N. Y. **Underwriters**—Globus, Inc., and Divine & Fishman, Inc., N. Y.

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Orion Electronics Corp.

Aug. 28, 1961 filed 100,000 common. Price—\$3.50. **Business**—The manufacture of precision electronic sub-systems for the generation, detection and control of frequencies up through the microwave region. **Proceeds**—For expansion, equipment and working capital. **Address**—Tuckahoe, N. Y. **Underwriter**—A. D. Gilhart & Co., Inc., N. Y. C.

Osrow Products Co., Inc.

July 28, 1961 ("Reg. A") 60,000 common shares (par 10 cents). Price—\$5. **Business**—The manufacture of car and window washing equipment. **Proceeds**—For working capital, research and development, new products and general corporate purposes. **Office**—115 Hazel Street, Glen Cove, L. I., N. Y. **Underwriter**—General Securities Co., Inc., N. Y. **Offering**—Imminent.

Oz Publishing Corp.

Sept. 15, 1961 filed 140,000 common. Price—By amendment. **Business**—The design, production and sale of greeting cards. **Proceeds**—For the repayment of debt, installation of additional equipment, modernization of a department and working capital. **Office**—156 Fifth Ave., N. Y. **Underwriter**—Laren Co., N. Y.

Ozon Products, Inc.

Sept. 28, 1961 filed 105,000 common. Price—By amendment. **Business**—Manufacture of toiletries and cosmetics. **Proceeds**—For repayment of debt and working capital. **Office**—50 Wallabout St., Brooklyn, N. Y. **Underwriter**—Carter, Berlind, Potoma & Weill, N. Y.

PCS Data Processing, Inc.

Oct. 6, 1961 filed 100,000 common of which 50,000 are to be offered by the company and 50,000 by stockholders. Price—\$3.75. **Business**—Furnishing of statistical information. **Proceeds**—For training personnel, new equipment, expansion and working capital. **Office**—75 W. St., N. Y. **Underwriters**—Harry Odzer Co., N. Y., and Lenchner, Covato & Co., Inc., Pittsburgh, Pa.

P-G Products Manufacturing Co., Inc.

Oct. 10, 1961 filed 110,055 common. Price—By amendment. **Business**—Manufactures appliance replacement parts and accessories. **Proceeds**—For debt repayment, expansion and working capital. **Office**—230 E. 162nd St., N. Y. **Underwriters**—Kahn & Peck, Cohn & Co., N. Y.

Pacific Northwest Bell Telephone Co.

Aug. 25, 1961 filed 17,459,490 outstanding common (par \$11) being offered for subscription by stockholders of Pacific Telephone & Telegraph Co., parent. Each shareholder of the latter firm was given an assignable warrant evidencing the right to purchase the stock on the basis of one right for each common held and seven rights for each preferred held. The record date is Sept. 20 and the rights expiration date Oct. 20. Price—Six rights plus \$16 per share. **Business**—The company furnishes telephone service in Washington, Oregon and northern Idaho. **Proceeds**—For the selling stockholder—Pacific Telephone & Telegraph Co. **Office**—1200 Third Ave., Seattle, Wash. **Underwriter**—None.

Pacific Nutrient & Chemical Co.

Sept. 15, 1961 filed 120,000 common. Price—\$4. **Business**—The manufacture and sale of chemical fertilizers, animal nutrients, crop seeds, insecticides, etc. **Proceeds**—For additional equipment, a new plant and working capital. **Office**—North Oak and Hazel St., Burlington, Wash. **Underwriter**—Joseph Nadler & Co., N. Y.

Pacific States Steel Corp.

June 21, 1961 filed 100,000 outstanding shares of capital stock (par 50 cents) to be sold by stockholders. Price—\$8. **Business**—The manufacture of steel products. **Proceeds**—For the selling stockholder. **Office**—35124 Alvarado-Niles Road, Union City, Calif. **Underwriters**—First California Co., Inc., and Schwabacher & Co., San Francisco (mgr.). **Offering**—Indefinitely postponed.

Pakco Management & Development Co.

Aug. 25, 1961 filed 310,000 common. Price—\$11. **Business**—The large scale production of blueberries, cranberries, etc. **Proceeds**—For repayment of loans, property improvements and general corporate purposes. **Office**—104 Bellevue Ave., Hammon, N. J. **Underwriter**—Woodcock, Moyer, Fricke & French, Philadelphia (mgr.).

Pako Corp. (11/20-24)

Sept. 25, 1961 filed 150,000 common, of which 100,000 will be sold by the company and 50,000 by stockholders. Price—By amendment. **Business**—Manufacture of equipment used to process and print photographs. **Proceeds**—Working capital. **Office**—6300 Olson Hwy., Minneapolis. **Underwriter**—Paine, Webber, Jackson & Curtis, N. Y.

Palmetto Pulp & Paper Corp.

June 28, 1961 filed 1,000,000 common. Price—\$3.45. **Business**—The growth of timber. **Proceeds**—Working capital and the possible purchase of a mill. **Address**—Box 199, Orangeburg, S. C. **Underwriter**—Stone & Co.

Fan-Alaska Fisheries, Inc. (11/6-10)

July 26, 1961 filed 120,000 common shares. Price—By amendment. **Business**—The processing of Alaska king crab. **Proceeds**—For acquisition of fishing boats, equipment and working capital. **Office**—Dexter Horton Bldg., Seattle. **Underwriter**—Robert L. Ferman & Co., Inc., N. Y. (mgr.).

Panoramic Electronics, Inc. (10/17)

Aug. 17, 1961 filed 120,000 common shares, of which 90,000 shares are to be offered by the company and 30,000 shares by stockholders. Price—By amendment. **Business**—The manufacture of electronic test measurement and monitoring instruments. **Proceeds**—For acquisition of property and construction of a new plant, laboratory, equipment and working capital. **Office**—520 S. Fulton Ave., Mount Vernon, New York. **Underwriter**—Hayden, Stone & Co., New York (managing).

Paradynamics Inc.

Sept. 5, 1961 ("Reg. A") 100,000 common. Price—\$3. **Business**—The company will produce micro-wave test equipment and components. **Proceeds**—For equipment, advertising, research and development and working capital. **Office**—51 Urban Ave., Westbury, N. Y. **Underwriter**—Karen Securities Corp., N. Y.

Paragon Pre-Cut Homes, Inc.

Aug. 25, 1961 filed \$1,000,000 of 15-year sinking fund debentures due 1976 (with warrants attached) and 100,000 common to be offered in 10,000 units each consisting of 10 common and \$100 of debentures. Price—By amendment. **Business**—The packaging and direct sale of pre-cut home building materials. **Proceeds**—For repayment of loans and working capital. **Office**—499 Jericho Turnpike, Mineola, N. Y. **Underwriter**—L. F. Rothschild & Co., N. Y. C. (mgr.).

Paramount Foam Industries

Sept. 25, 1961 filed 137,500 common. Price—By amendment. **Business**—The manufacture of polyester foams. **Proceeds**—Additional equipment, debt repayment and working capital. **Office**—Mercer and Arnot Sts., Lodi, N. J. **Underwriters**—Fialkov & Co., Inc., and Stanley Heller & Co., N. Y.

Patent Resources, Inc.

May 24, 1961 filed 150,000 shares of common stock. Price—To be supplied by amendment. **Business**—The company was organized in November 1960 to acquire, exploit and develop patents, and to assist inventors in developing and marketing their inventions. **Proceeds**—For general corporate purposes. **Office**—608 Fifth Ave., New York City. **Underwriters**—Darius, Inc., New York (managing); N. A. Hart & Co., Bayside, N. Y., and E. J. Roberts & Co., Inc., Ridgewood, N. J.

Pavelle Corp. (10/30-11/3)

Aug. 22, 1961 filed 200,000 common shares. Price—By amendment. **Business**—Research and development in the field of color photography and the manufacture of commercial color photographic processing equipment. **Proceeds**—For expansion, research and repayment of loans. **Office**—Time & Life Bldg., Rockefeller Center, New York. **Underwriter**—Bear, Stearns & Co., New York.

Pellegrino Aggregate Technico, Inc.

Aug. 10, 1961 filed 130,000 class A common shares. Price—\$5. **Business**—The manufacture of building materials. **Proceeds**—For payment of income taxes and loans and for working capital. **Office**—Woodbridge-Carteret Road, Port Reading, N. J. **Underwriter**—Mortimer B. Burnside & Co., Inc., New York.

Penn Optical, Inc.

Sept. 18, 1961 ("Reg. A") 100,000 capital shares. Price—\$3. **Business**—Development and manufacture of optical equipment and precision instruments. **Office**—2930 S. Bristol St., Costa Mesa, Calif. **Underwriter**—Francis J. Mitchell & Co., Inc., Newport Beach, Calif.

Pennon Electronics Corp.

Sept. 28, 1961 ("Reg. A") 135,000 common. Price—\$2.25. **Business**—Manufacture of solid state electronic devices. **Proceeds**—For working capital. **Office**—7500 S. Garfield Ave., Bell Gardens, Calif. **Underwriter**—Darius Inc., N. Y.

Philippine Oil Development Co., Inc.

Sept. 25, 1961 filed 95,270,181 capital shares to be offered for subscription by common stockholders on the basis of one new share for each six held of record Sept. 9. Price—One cent. **Business**—Exploration for oil in the Philippines. **Proceeds**—Repayment of debt and the drilling of test wells. **Office**—Manila, Philippines. **Underwriter**—None.

Photo-Animation, Inc. (11/6-10)

July 26, 1961 filed 150,000 common shares. Price—\$1.25. **Business**—The manufacture of machines, equipment and devices used in the creation of animated motion pictures. **Proceeds**—For development of new products, repayment of loans and working capital. **Office**—34 S. West St., Mount Vernon, N. Y. **Underwriter**—First Philadelphia Corp., New York.

Pickwick International, Inc. (10/25)

July 27, 1961 filed 100,000 common shares. Price—\$3. **Business**—The distribution of phonograph records. **Proceeds**—For advertising and promotion, merchandising, repayment of loans, additional personnel, working capital and other corporate purposes. **Office**—8-16 43rd Ave., Long Island City, N. Y. **Underwriter**—William, David & Motti, Inc., New York.

Pictorial Production Inc.

Aug. 29, 1961 filed 149,178 common, of which 25,000 are to be offered by the company and 124,178 by stockholders. Price—\$10. **Business**—Research, development and production in the field of lenticular optics. **Proceeds**—For construction and equipment. **Office**—60 Kingsbridge Rd., E. Mt. Vernon, N. Y. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Piedmont Natural Gas Co., Inc. (10/27)

Sept. 14, 1961 filed 126,832 common to be offered for subscription by stockholders on the basis of one for each 10 held. Price—By amendment. **Proceeds**—For expansion. **Office**—523 South Tryon St., Charlotte, N. C. **Underwriter**—White, Weld & Co., N. Y.

Pioneer Astro Industries, Inc. (10/16-20)

July 27, 1961 filed 150,000 common. Price—By amendment. **Business**—Manufacture of precision machined components and assemblies for missile guidance systems. **Proceeds**—New plant, additional equipment and working capital. **Office**—7401 W. Lawrence Ave., Chicago. **Underwriter**—Francis I. du Pont & Co., N. Y.

Pittsburgh Steel Co. (11/2)

Sept. 13, 1961 filed 1,110,617 common to be offered for subscription by stockholders on the basis of 7 for each 10 held of record about Nov. 2 with rights to expire about Nov. 20. Price—By amendment. **Proceeds**—For expansion.

sion. **Office**—1600 Grant Bldg., Pittsburgh 30, Pa. **Underwriter**—Kuhn, Loeb & Co., Inc., N. Y.

★ Plastic Industries, Inc.

Sept. 28, 1961 ("Reg. A") 75,000 common. Price—\$4. **Business**—Design and manufacture of women's handbags. **Proceeds**—Debt repayment and working capital. **Office**—6700 N. W. 37th Court, Miami, Fla. **Underwriter**—Ellis Securities, Inc., Great Neck, N. Y.

● Plasticon Corp.

May 8, 1961 filed 665,666 shares of common stock, of which 90,666 shares are to be publicly offered, 25,000 shares are to be offered to Leyghton-Paige Corp., 150,000 shares are to be offered to Leyghton-Paige stockholders on the basis of one Plasticon share for each three Leyghton-Paige shares held, and 400,000 shares are to be offered to holders of the company's \$1,200,000 of 5% promissory notes. Price—\$3 per share, in all cases. **Business**—The manufacture of large plastic containers. **Proceeds**—To discharge the indebtedness represented by Plasticon's 5% promissory notes, with the balance for more equipment and facilities. **Office**—Minneapolis, Minn. **Underwriter**—None. **Offering**—Imminent.

Plastiline, Inc.

Sept. 27, 1961 filed 100,000 common. Price—\$3. **Business**—Manufacture of plastic products. **Proceeds**—For new molds, inventory, repayment of loans and working capital. **Office**—1251 N. E. 48th St., Pompano Beach, Fla. **Underwriter**—Godfrey, Hamilton, Taylor & Co., Inc., N. Y.

● Platt Corp.

July 26, 1961 filed 220,000 common. Price—\$5. **Business**—Real estate investment, management and construction. **Proceeds**—For investment in additional properties. **Office**—673 Fifth Ave., N. Y. **Underwriter**—First Weber Securities Corp., N. Y.

Plymouth Discount Corp.

Aug. 28, 1961 ("Reg. A") 100,000 common. Price—\$3. **Business**—Consumer sales financing. **Proceeds**—For repayment of notes and working capital. **Office**—2211 Church Ave., Brooklyn, N. Y. **Underwriter**—M. Posey Associates, Ltd., 50 Broadway, N. Y.

Polytronic Research, Inc.

June 7, 1961 filed 193,750 common shares, of which 150,000 will be sold for the company and 43,750 for stockholders. Price—By amendment. **Business**—Research and development, engineering and production of certain electronic devices for aircraft, missiles, oscilloscopes, electronic vending machines and language teaching machines. **Proceeds**—For expansion, repayment of debt and working capital. **Office**—7326 Westmore Rd., Rockville, Md. **Underwriters**—Jones, Kreeger & Co., and Balogh & Co., Washington, D. C. (managing).

● Precision Microwave Corp. (11/6-10)

Aug. 21, 1961 filed 165,000 common shares, of which 115,000 shares are to be offered by the company and 50,000 shares by stockholders. Price—\$10. **Business**—The manufacture of specialized microwave components for radar, missiles and communication systems. **Proceeds**—For working capital, inventories and equipment. **Office**—Main Street, Millis, Mass. **Underwriter**—Peter Morgan & Co., New York.

Preco Industries, Inc.

Aug. 25, 1961 filed 100,000 common. Price—\$4. **Business**—The sale of custom built swimming pools. **Proceeds**—For repayment of loans and working capital. **Office**—203 Bala Ave., Bala Cynwyd, Pa. **Underwriter**—Dean Samitas & Co., N. Y. C. (mgr.).

Premier Albums, Inc. (10/16-20)

July 31, 1961 filed 120,000 common shares. Price—\$5. **Business**—The manufacture of long-playing stereophonic and monaural phonograph records. **Proceeds**—For acquisition of facilities, marketing of new stereophonic records and working capital. **Office**—356 W. 40th St., New York. **Underwriter**—Gianis & Co., N. Y.

President Airlines, Inc.

June 13, 1961 ("Reg. A") 150,000 class A common shares (par one cent). Price—\$2. **Business**—Air transportation of passengers and cargo. **Proceeds**—For payment of current liabilities and taxes; payment of balance on CAB certificate and working capital. **Office**—630 Fifth Avenue, Rockefeller Center, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J. **Note**—This offering has been temporarily postponed.

Prevor-Mayrsohn International, Inc.

July 31, 1961 ("Reg. A") 80,000 common shares (par 10 cents). Price—\$3.75. **Business**—Export, import, brokerage and wholesale marketing of fruits, vegetables and poultry. **Proceeds**—For expansion, sales promotion, advances to growers, working capital and general corporate purposes. **Office**—99 Hudson Street, New York. **Underwriter**—J. J. Krieger & Co., Inc., New York.

Pride Industries, Inc.

Aug. 29, 1961 filed 75,000 common. Price—\$5. **Business**—The sale of pet foods. **Proceeds**—For inventory, repayment of a loan, machinery, new products, advertising. **Office**—4408 Fairmount Ave., Philadelphia. **Underwriter**—Steven Investment Corp., Bala Cynwyd, Pa. **Offering**—In late November.

Product Research of Rhode Island, Inc. (11/6-10)

July 28, 1961 filed 330,000 common shares. Price—\$2.05. **Business**—The manufacture of vinyl plastic products used in the automotive, marine and household fields. **Proceeds**—For repayment of debt, new equipment and working capital. **Office**—184 Woonasquatucket Avenue, North Providence, R. I. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

Programs For Television, Inc.

Aug. 29, 1961 filed 150,000 common. Price—By amendment. **Business**—The distribution of films for motion pictures and television. **Proceeds**—For repayment of debt

and working capital. **Office**—1150 Avenue of the Americas, N. Y. **Underwriter**—To be named.

Progressitron Corp.

June 9, 1961 ("Reg. A") 100,000 common shares (par 10 cents). **Price**—\$3. **Business**—Manufacturers of electronic, electro mechanical and mechanical devices. **Proceeds**—For general corporate purposes. **Office**—14-25 128th St., College Point, N. Y. **Underwriter**—Netherlands Securities Co., New York.

Prufcoat Laboratories, Inc.

Sept. 25, 1961 filed 60,000 common, of which 13,000 shares are to be offered by the company and 47,000 by a stockholder. **Price**—By amendment. **Business**—Development and production of plastic-base protective coatings, paints and primers. **Proceeds**—Purchase of equipment and other corporate purposes. **Office**—63 Main St., Cambridge, Mass. **Underwriter**—Chace, Whiteside & Winslow, Inc., Boston.

Public Service Electric & Gas Co. (10/17)

Sept. 21, 1961 filed \$50,000,000 of debenture bonds due Oct. 1, 1981. **Proceeds**—Repayment of bank loans, and construction. **Office**—80 Park Place, Newark, N. J. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; White, Weld & Co.; Blyth & Co., Inc.; Goldman, Sachs & Co. Harriman, Ripley & Co. (jointly). **Bids**—Oct. 17 at 11 a.m. (EDST) at the company's office.

• Publishers Co., Inc. (11/6-10)

Aug. 29, 1961 filed \$1,200,000 of 6% subordinated convertible debentures due 1967. **Price**—At par. **Business**—The publishing of books. **Proceeds**—For redemption of outstanding 12% debentures due 1965 and for expansion. **Office**—1106 Connecticut Ave., N.W., Washington, D.C. **Underwriter**—Roth & Co., Inc., Philadelphia.

Publishers Vending Services, Inc.

July 3, 1961 filed \$600,000 of 5½% convertible subordinated debentures due 1971; 120,000 common shares which underlie 2-year first warrants exercisable at \$7.50 per share, and 120,000 common shares which underlie 5-year second warrants, exercisable at \$10 per share. The securities are to be offered for public sale in units of one \$100 debenture, 20 first warrants and 20 second warrants. **Price**—\$100 per unit. **Business**—The design, manufacture, sale and leasing of coin-operated vending machines for magazines, newspapers and paperback books. **Proceeds**—For the repayment of debt, advertising, sales promotion, and the manufacture of new machines. **Office**—1201 South Clover Drive, Minneapolis. **Underwriter**—D. H. Blair & Co., New York.

Puerto Rico Capital Corp.

Sept. 13, 1961 filed 750,000 common. **Price**—\$10. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Address**—San Juan, Puerto Rico. **Underwriter**—Hill, Darlington & Grimm, N. Y.

• Pu'p Processes Corp.

Sept. 20, 1961 filed 140,000 common. **Price**—\$5. **Business**—Development of pulping and bleaching devices. **Proceeds**—General corporate purposes. **Office**—Hoge Bldg., Seattle, Wash. **Underwriter**—Wilson, Johnson & Higgins, San Francisco. **Offering**—Expected in late November.

Pulsa-Tronics, Inc.

Sept. 28, 1961 filed 100,000 common. **Price**—\$3.25. **Business**—The manufacture of a massaging mattress. **Proceeds**—For establishment of distributorships, purchase of materials, repayment of debt, advertising and working capital. **Office**—5913 Carrier St., N., St. Petersburg, Fla. **Underwriters**—To be named.

Pyrometer Co. of America, Inc.

Sept. 26, 1961 filed 300,000 common. **Price**—By amendment. **Business**—Design and manufacture of thermocouple temperature transducers and electronic indicating and controlling instruments. **Proceeds**—To finance the purchase of Hamilton Manufacturing Co., Inc. **Office**—600 E. Lincoln Highway, Pennel, Pa. **Underwriter**—Arnold Malkin & Co., Inc., N. Y.

Quartile Creative Corp.

Sept. 27, 1961 filed 100,000 common. **Price**—\$5. **Business**—Manufacture of home furnishing products. **Proceeds**—For research, new products and working capital. **Office**—34-24 Collins Place, Flushing, N. Y. **Underwriter**—Shell Associates, Inc. and Godfrey, Hamilton, Taylor & Co., N. Y.

• Quik-Chek Electronics & Photo Corp.

Sept. 28, 1961 filed 110,000 common, of which 70,000 shares are to be offered by the company and 40,000 by stockholders. **Price**—\$10. **Business**—Manufacture of self-service tube testers and the sale of television, radio and high fidelity receiving tubes. **Proceeds**—For debt repayment and working capital. **Office**—5212 Pulaski Ave., Philadelphia. **Underwriter**—J. R. Williston & Beane, N. Y. **Offering**—Expected sometime in December.

Rabin-Winters Corp.

June 19, 1961 filed 180,000 common shares of which 80,000 shares are to be offered by the company and 100,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacturer of pharmaceuticals, cosmetics, lighter fluid and related items. **Proceeds**—To repay loans and for working capital. **Office**—700 N. Sepulveda Blvd., El Segundo, Calif. **Underwriter**—To be named.

• Radar Design Corp.

Sept. 22, 1961 ("Reg. A") 25,000 common. **Price**—At-the-market. **Business**—Manufacture of electronic products. **Proceeds**—For acquisition of a laboratory, equipment and working capital. **Office**—104 Pickard Dr., Syracuse, N. Y. **Underwriters**—Bertner Bros., N. Y.; Earl Edden Co., Rockville Centre, N. Y. and Max Philipson & Co., Inc., Utica, N. Y.

Ragen Precision Industries, Inc.

Aug. 31, 1961 filed 100,000 common. **Price**—By amendment. **Business**—The manufacture of precision parts, components, assemblies and subassemblies for the business machine, electronic and aircraft industries. **Proceeds**—For equipment, repayment of loans and general corporate purposes. **Office**—9 Porette Ave., North Arlington, N.J. **Underwriter**—Marron, Sloss & Co., Inc., N.Y. (mgr.).

Rainbow Photo Laboratories, Inc.

Sept. 28, 1961 filed 150,000 common. **Price**—By amendment. **Business**—Processing of film and distributing of photographic equipment. **Proceeds**—For moving expenses, expansion, advertising and promotion, repayment of debt and working capital. **Office**—29-14 Northern Blvd., Long Island City, N. Y. **Underwriter**—Rodetsky, Walker & Co., Inc., Jersey City.

Raritan Plastics Corp.

Sept. 28, 1961 filed 100,000 class A common. **Price**—\$5. **Business**—Extrusion of plastic sheets. **Proceeds**—Equipment, debt repayment and working capital. **Office**—1 Raritan Rd., Oakland, N. J. **Underwriter**—Gianis & Co., Inc., N. Y.

• Raymond Engineering Laboratory, Inc.

(10/30-11/3)

Aug. 15, 1961 filed 100,000 common shares, of which 50,000 shares are to be offered by the company and 50,000 shares by stockholders. **Price**—By amendment. **Business**—The manufacture of timing devices, accelerometers and related equipment for missiles, satellites and space vehicles. **Proceeds**—For repayment of loans, equipment, and working capital. **Office**—Smith Street, Middletown, Conn. **Underwriter**—Lee Higginson Corp., New York (mgr.).

★ Real Estate Fund, Inc.

Sept. 28, 1961 ("Reg. A") 14,634 units each consisting of seven common shares and one 20-year 6% convertible subordinated debenture. **Price**—\$20.50 per unit. **Business**—Development and operation of shopping centers and other properties. **Proceeds**—General corporate purposes. **Address**—Greenville, S. C. **Underwriter**—McCarley & Co., Inc., Asheville, N. C.

Real Properties Corp. of America (10/16-18)

July 25, 1961 filed 365,000 class A shares. **Price**—\$10. **Business**—A real estate investment company. **Office**—1451 B'way, N. Y. **Underwriter**—Stanley Heiler & Co., N. Y.

• Realtone Electronics Corp. (11/6-10)

Aug. 16, 1961 filed 100,000 common shares. **Price**—\$4. **Business**—The marketing of transistorized radios and related equipment. **Proceeds**—Repayment of loans and general corporate purposes. **Office**—71 Fifth Ave., New York. **Underwriter**—Lieberbaum & Co., N. Y.

Realty Equities Corp. of New York

Sept. 28, 1961 filed \$2,126,800 of subord. debentures due 1971 (with warrants attached) to be offered for subscription by stockholders in 16,758 units, each consisting of \$100 of debentures and a warrant to purchase 12.5 shares on the basis of one unit for each 20 shares held. **Price**—\$100 per unit. **Business**—General real estate and construction. **Proceeds**—General corporate purposes. **Office**—666 Fifth Ave., N. Y. **Underwriter**—Sutro Bros. & Co., New York.

Recreation Associates, Inc.

Aug. 14, 1961 filed 100,000 class A common. **Price**—\$3. **Business**—The operation of a bowling center. **Proceeds**—For working capital. **Office**—8905 Columbia Pike, Falls Church, Va. **Underwriter**—None.

Red Rope Stationery Industries, Inc.

Aug. 23, 1961 filed 160,000 common. **Price**—\$3.50. **Business**—The manufacture of stationery supplies. **Proceeds**—For working capital, equipment, expansion and repayment of debt. **Office**—70 Washington St., Brooklyn, N. Y. **Underwriter**—George, O'Neill & Co., Inc., N. Y. (mgr.).

Red Wing Fiberglass Products, Inc.

July 28, 1961 ("Reg. A") 260,000 common. **Price**—\$1.15. **Proceeds**—Debt repayment, building improvements, equipment, research and development, and working capital. **Office**—Industrial Park, Red Wing, Minn. **Underwriter**—York & Mavroulis, Minneapolis.

• Regal Homes, Inc. (10/23-27)

Aug. 15, 1961 filed 51,000 capital shares. **Price**—\$12. **Business**—For construction and sale of "shell" homes and mortgage financing. **Proceeds**—For working capital. **Address**—Hopkinsville, Ky. **Underwriter**—J. J. B. Hilliard & Sons, Louisville.

Reher Simmons Research Inc.

May 8, 1961 filed 150,000 shares of capital stock. **Price**—\$6 per share. **Business**—The research and development of processes in the field of surface and biochemistry. **Proceeds**—For plant construction, equipment, research and development, sales promotion and working capital. **Office**—545 Broad St., Bridgeport, Conn. **Underwriter**—McLaughlin, Kaufmann & Co. (mgr.). **Offering**—Expected in November.

• Rexach Construction Co., Inc. (11/6-10)

July 28, 1961 filed 200,000 common. **Price**—\$10. **Business**—Construction of highways, buildings and homes. **Proceeds**—For repayment of a loan, purchase of stock in Puerto Rico Aggregates Co., and working capital. **Address**—San Juan, Puerto Rico. **Underwriters**—P. W. Brooks & Co., Inc., New York and CIA Financiera de Inversiones, Inc., San Juan (mgr.).

• Ro Ko, Inc. (10/30-11/3)

Aug. 7, 1961 filed 120,000 class A common shares. **Price**—\$5. **Business**—The manufacture of stuffed toys. **Proceeds**—For down payments on the purchase of buildings, equipment and expansion. **Office**—3115 E. 12th St., Kansas City, Mo. **Underwriters**—Midland Securities Co., Inc., and George K. Baum & Co., Kansas City, Mo. (mgr.).

• Robins Industries Corp. (10/17)

July 27, 1961 filed 100,000 common shares. **Price**—\$2.50. **Business**—The manufacture of products in the electronic sound and recording field. **Proceeds**—For repayment of a loan, moving expenses, research and development, tooling, advertising and working capital. **Office**—36-27 Prince St., Flushing, N. Y. **Underwriter**—Carroll Co., N. Y.

Rocket Power, Inc. (11/20-24)

Sept. 20, 1961 filed 200,000 common. **Price**—By amendment. **Business**—Development and manufacture of solid propellants, rocket motors, rocket catapults and related products. **Proceeds**—To repay debt. **Office**—Falcon Field, Mesa, Ariz. **Underwriters**—Paine, Webber, Jackson & Curtis and Prescott & Co., N. Y.

★ Rodale Electronics, Inc.

Sept. 29, 1961 ("Reg. A") 60,000 common. **Price**—\$5. **Business**—Manufacture of electronic equipment. **Proceeds**—Debt repayment, new products, equipment, sales promotion and advertising. **Office**—562 Grand Blvd., Westbury, N.Y. **Underwriter**—Charles Plohn & Co., N.Y.

• Rodney Metals, Inc. (10/16-20)

June 30, 1961 filed 140,000 common shares. **Price**—\$10. **Proceeds**—For the repayment of debt and other corporate purposes. **Office**—261 Fifth Ave., New York. **Underwriter**—Robbins, Drouin & Clark, Inc., N. Y.

Roph Associates, Inc.

Aug. 10, 1961 ("Reg. A") 75,000 common shares (par five cents). **Price**—\$4. **Business**—The sale of freezers and food plans. **Proceeds**—For inventory, a food dept, advertising and promotion and general corporate purposes. **Office**—300 Northern Boulevard, Great Neck, N. Y. **Underwriter**—To be named.

Royal Land & Development Corp.

Aug. 2, 1961 filed 2,000,000 class A common shares. **Price**—\$1. **Business**—General real estate and construction. **Proceeds**—For construction and general corporate purposes. **Office**—400 Stanley Ave., Brooklyn, N. Y. **Underwriter**—Lieberbaum & Co., N. Y. (mgr.). **Offering**—Expected sometime in December.

Rozilda Laboratories, Inc.

Sept. 18, 1961 filed 90,000 class A capital shares. **Price**—\$3. **Business**—The manufacture and sale of organic chemicals to industrial and commercial users. **Proceeds**—For expansion and working capital. **Office**—814 Madison St., Hoboken, N. J. **Underwriters**—State Securities Corp., Washington, D. C. and Bayes, Rose & Co., N. Y.

Rubber & Fibre Chemical Corp. (12/20)

Sept. 25, 1961 filed 120,000 common. **Price**—\$5. **Business**—Exploitation of a new process for reclaiming unvulcanized rubber. **Proceeds**—Purchase of equipment and existing plant building, repayment of debt, and working capital. **Office**—300 Butler St., Brooklyn, N. Y. **Underwriter**—Armstrong & Co., Inc., N. Y.

• Russ Togs, Inc. (11/6-10)

Oct. 3, 1961 filed 107,571 outstanding class A shares to be offered for subscription by stockholders. **Price**—By amendment. **Business**—Manufacture of women's sportswear. **Proceeds**—For selling stockholders. **Office**—1372 Broadway, N. Y. **Underwriter**—Shearson, Hammill & Co., N. Y.

• S. O. S. Photo-Cine-Optics, Inc.

June 29, 1961 filed \$50,000 of 6% subordinated debentures due 1969 and 50,000 common shares to be offered in units consisting of \$10 of debentures and 10 common shares. **Price**—\$40 per unit. **Business**—The manufacturing, renting and distributing of motion picture and television production equipment. **Proceeds**—For new equipment, advertising, research and development, working capital and other corporate purposes. **Office**—602 W. 52nd St., New York. **Underwriter**—William, David & Motti, Inc., N. Y. **Offering**—In late October.

★ Sabre, Inc.

Sept. 25, 1961 ("Reg. A") 50,000 common. **Price**—\$2. **Business**—Manufacture of pre-painted aluminum siding and accessories. **Proceeds**—For inventory, dies, inventory equipment and working capital. **Office**—4990 E. Asbury, Denver. **Underwriter**—Schmidt, Sharp, McCabe & Co., Inc., Denver.

Saegertown Glasseals, Inc.

Sept. 27, 1961 filed 210,500 common, of which 100,000 are to be offered by the company and 110,500 by stockholders. **Price**—By amendment. **Business**—Manufacture of electronic parts, including diodes and rectifiers. **Proceeds**—For general corporate purposes. **Office**—South Main St., Saegertown, Pa. **Underwriter**—Carl M. Loeb, Rhoades & Co., N. Y.

Sav-Mor Oil Corp. (11/27-30)

July 5, 1961 ("Reg. A") 92,000 common shares (par one cent). **Price**—\$2.50. **Business**—Wholesale distribution of gasoline and oil to service stations. **Proceeds**—For expansion. **Office**—151 Birchwood Park Dr., Jericho, L. I., N. Y. **Underwriter**—Armstrong & Co., Inc., New York.

Save-Tax Club, Inc. (10/16-20)

July 6, 1961 ("Reg. A") 150,000 common. **Price**—\$2. **Business**—A plan to stimulate retail merchandising in New York City. Retail establishments who join the plan will give 3% discounts to members of the Save-Tax Club. **Proceeds**—For salaries to salesmen, advertising, public relations, additional employees, and working capital. **Office**—135 W. 52nd St., N. Y. **Underwriter**—B. G. Harris & Co., Inc., N. Y.

Savin Business Machines Corp.

Sept. 28, 1961 filed 150,000 common. **Price**—\$10. **Business**—Distribution of products for use in photocopy machines. **Proceeds**—For initial production of xerographic machines, additional equipment, expansion and working capital. **Office**—161 Ave. of the Americas, N. Y. **Underwriter**—Ira Haupt & Co., N. Y.

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Saxton Products, Inc.

Aug. 28, 1961 ("Reg. A") 80,000 common. Price—\$3.75. **Business**—The manufacture of wires and cables. **Proceeds**—For repayment of indebtedness, equipment, advertising, inventory and general corporate purposes. **Office**—4320-26 Park Ave., Bronx 57, N. Y. **Underwriter**—Stern, Zeiff & Co., Inc., N. Y.

Science Research Associates, Inc.

Sept. 22, 1961 filed 150,040 common, of which 100,000 shares are to be offered by the company and 50,040 shares by stockholders. **Price**—By amendment. **Business**—Publication of standardized intelligence, aptitude, and achievement tests, and instructional materials for schools. **Proceeds**—For repayment of debt, redemption of 6% preferred stock and working capital. **Office**—259 E. Erie St., Chicago. **Underwriters**—White, Weld & Co., N. Y. and William Blair & Co., Chicago.

Seashore Food Products, Inc.

Aug. 29, 1961 ("Reg. A") 75,000 common. **Price**—\$4. **Business**—The manufacturing and processing of assorted food products. **Office**—13480 Cairo Lane, Opa Locka, Fla. **Underwriter**—Ehrlich, Irwin & Co., Inc., N. Y.

Sea-Wide Electronics, Inc.

Sept. 26, 1961 filed 200,000 common. **Price**—\$4. **Business**—Importing of goods from Japan. **Proceeds**—For debt repayment. **Office**—Stokely St., and Roberts Ave., Philadelphia, Pa. **Underwriter**—Amos Treat & Co., N. Y.

Securities Acceptance Corp.

Aug. 29, 1961 ("Reg. A") 10,000 shares of 5% cumulative preferred. **Price**—At par (\$25). **Business**—A consumer finance company. **Office**—304 S. 18th St., Omaha. **Underwriters**—First Trust Co. of Lincoln, Neb., Storz-Wachob-Bender Co., Omaha and Crutten, Podesta & Co., Chicago.

Seeburg Corp.

Aug. 18, 1961 filed 319,221 common shares being offered for subscription by stockholders on the basis of one new share for each five shares held of record Sept. 28, with rights to expire Oct. 13, 1961. **Price**—\$21. **Business**—Manufacture of coin-operated photographs and other vending equipment. **Proceeds**—For repayment of loans and the financing of receivables and inventories. **Office**—1500 N. Dayton St., Chicago. **Underwriter**—White, Weld & Co., N. Y. (mgr.).

Seg Electronics Co., Inc.

Sept. 28, 1961 filed 110,000 common. **Price**—By amendment. **Business**—Design and manufacture of networks for data and program transmission, filters, transceivers and related electronic equipment. **Proceeds**—For equipment, research and development, repayment of loans and working capital. **Office**—12 Hinsdale St., Brooklyn. **Underwriter**—Searight, Ahalt & O'Connor, Inc., N. Y.

Self-Service Shoes, Inc.

Sept. 19, 1961 ("Reg. A") 300,000 common. **Price**—\$1. **Business**—Retailing of shoes on a self-service basis. **Office**—504 N. Grand, Pueblo, Colo. **Underwriter**—Amos C. Sudler & Co., Denver, Colo.

Sel-Rex Corp. (12/5)

Sept. 27, 1961 filed 200,000 common, of which 33,000 will be sold by the company and 167,000 by a stockholder. **Price**—By amendment. **Business**—Production of gold compounds and chemicals for electroplating. **Office**—Nutley, N. J. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y.

Semicon, Inc. (10/23-27)

June 30, 1961 filed 125,000 class A common shares. **Price**—By amendment. **Business**—The manufacture of semiconductor devices for military, industrial and commercial use. **Proceeds**—For equipment, plant expansion and new products. **Address**—Sweetwater Avenue, Bedford, Mass. **Underwriter**—S. D. Fuller & Co., New York (managing).

Servonuclear Corp.

Sept. 12, 1961 ("Reg. A") 100,000 common. **Price**—\$2. **Business**—Manufacture of medical electronic products. **Proceeds**—For plant relocation, equipment, inventory, new products, debt repayment and working capital. **Office**—28-21 Astoria Blvd., Astoria, L. I., N. Y. **Underwriter**—Herman & Diamond, N. Y.

Servotron Corp.

Sept. 25, 1961 filed 100,000 common. **Price**—\$5. **Business**—Sale of automatic film processing machines and other electronic products. **Proceeds**—Purchase of equipment and inventory, sales promotion, research and development, and working capital. **Office**—29503 West Nine Mile Rd., Farmington, Mich. **Underwriter**—None.

Sessions Co.

Sept. 8, 1961 ("Reg. A") 245,000 common. **Price**—\$1.15. **Business**—Operation of a management consulting and engineering services firm. **Office**—2012 First National Bldg., Minneapolis. **Underwriter**—Midwest Planned Investments, Inc., Minneapolis.

Sexton (John) & Co.

Sept. 27, 1961 filed 70,000 common. **Price**—By amendment. **Business**—Distributes food products to restaurants, hotels, schools, etc. **Proceeds**—For selling stockholders. **Office**—4700 S. Kilbourn Ave., Chicago. **Underwriter**—Hornblower & Weeks, N. Y. **Offering**—In Nov.

Shaeer Shoe Corp.

Sept. 18, 1961 filed 225,000 common. **Price**—By amendment. **Business**—The manufacture and sale of women's shoes. **Proceeds**—For the selling stockholders. **Office**—Canal and Dow St., Manchester, N. H. **Underwriter**—Dean Witter & Co., San Francisco.

Shasta Minerals & Chemical Co.

April 24, 1961 filed 500,000 shares of common stock. **Price**—\$2.50 per share. **Business**—Acquisition, development, and exploration of mining properties. **Proceeds**—For general corporate purposes. **Office**—1406 Walker

Bank Bldg., Salt Lake City, Utah. **Underwriter**—None. **Offering**—Expected sometime in November.

Siconor Mines Ltd.

Sept. 18, 1961 filed 250,000 common. **Price**—By amendment. **Business**—The exploratory search for silver in northern Ontario. **Proceeds**—For general corporate purposes. **Office**—62 Richmond St., West, Toronto, Canada. **Underwriter**—None.

Sierra Capital Co.

Sept. 5, 1961 filed 1,000,000 capital shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For general corporate purposes. **Office**—105 Montgomery St., San Francisco. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y.

Site-Fab, Inc.

Aug. 21, 1961 ("Reg. A") 100,000 common (par 10c). **Price**—\$3. **Proceeds**—For purchase and improvement of land, promotion and development and working capital. **Office**—901 Market St., Wilmington, Del. **Underwriter**—H. P. Black & Co., Inc., Washington, D. C.

Small Business Investment Co. of New York, Inc.

Aug. 22, 1961 filed 875,000 common shares. **Price**—By amendment. **Business**—A small business investment company. **Proceeds**—For investment in and loans to small business. **Office**—40 Beaver St., Albany, N. Y. **Underwriter**—Dillon, Read & Co., Inc., New York.

Sokol Brothers Furniture Co., Inc.

Sept. 28, 1961 filed 240,000 common. **Price**—\$2.50. **Business**—The installment retailing of furniture, appliances and other household goods. **Proceeds**—For expansion and modernization of buildings, repayment of debt and working capital. **Office**—253 Columbia St., Brooklyn, N. Y. **Underwriter**—Continental Bond & Share Corp., Maplewood, N. J.

Southbridge Plastic Products Inc.

Sept. 28, 1961 filed 205,710 class A shares. **Price**—By amendment. **Business**—Manufacture of vinyl sheetings. **Proceeds**—For equipment and working capital. **Office**—241 Church St., N. Y. **Underwriters**—H. Hentz & Co. and Allen & Co., N. Y. **Offering**—Expected in December.

Southern Diversified Industries, Inc.

Aug. 8, 1961 filed 250,000 common shares. **Price**—\$5.50. **Business**—The purchase, inventorying and wholesale distribution of roofing materials, sheet metal products and heating and air conditioning accessories. **Proceeds**—For repayment of debt, purchase of merchandise and operating expenses. **Office**—3690 Northwest 62nd St., Miami, Fla. **Underwriter**—Netherlands Securities Co., Inc., New York.

Southern Frontier Finance Co.

Sept. 22, 1961 filed \$1,000,000 of sinking fund subordinated debentures due 1976 with warrants to purchase 200,000 shares of common stock, to be offered in units consisting of \$100 of debentures with a warrant to purchase 20 common shares. **Price**—By amendment. **Business**—Repurchase of mortgage notes, contracts, leases, etc. **Proceeds**—Repayment of debt, investments and other corporate purposes. **Office**—615 Hillsboro St., Raleigh, N. C. **Underwriter**—J. C. Wheat & Co., Richmond, Va.

Southern Growth Industries, Inc. (10/23-27)

June 28, 1961 filed 100,000 common shares. **Price**—\$6. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—Poinsett Hotel Building, Greenville, S. C. **Underwriter**—Capital Securities Corp., Greenville, S. C.

Southern Realty & Utilities Corp. (10/30-11/3)

May 26, 1961 filed \$3,140,000 of 6% convertible debentures due 1976, with warrants to purchase 31,400 common shares, to be offered for public sale in units of \$500 of debentures and warrants for five common shares. **Price**—At 100% of principal amount. **Business**—The development of unimproved land in Florida. **Proceeds**—For the repayment of debt, the development of property, working capital and other corporate purposes. **Office**—1674 Meridian Avenue, Miami Beach, Fla. **Underwriters**—Hirsch & Co., and Lee Higginson Corp., both of New York City (managing).

Southern Syndicate, Inc.

Sept. 13, 1961 filed 300,000 common. **Price**—By amendment. **Business**—Real estate investment. **Proceeds**—For repayment of loans and working capital. **Office**—2501 Bank of Georgia Bldg., Atlanta. **Underwriter**—Johnson, Lane, Space Corp., Savannah.

★ Southland Investment Corp.

Sept. 27, 1961 ("Reg. A") \$250,000 of five-year 6% subordinated convertible debentures to be offered for subscription by stockholders on the basis of one \$50 debenture for each 150 shares held. **Price**—At par. **Business**—Real estate investment. **Proceeds**—For construction and renovation of buildings. **Office**—672-11th St., N. W., Atlanta 18, Ga. **Underwriter**—None.

Southwestern Research & Development Co. (10/23-27)

Aug. 28, 1961 filed 600,000 common. **Price**—\$10. **Business**—A business investment company. **Proceeds**—for investments. **Office**—1101 N. First St., Phoenix. **Underwriter**—Wilson, Johnson & Higgins, San Francisco (mgr.).

Space Age Materials Corp. (SAMCO) (11/20-24)

Sept. 19, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The manufacture of high temperature materials for the space, nuclear and missile fields, and components used in the communications field. **Proceeds**—For equipment, research and development, and working capital. **Office**—31-26 Greenpoint Avenue, Long Island City, N. Y. **Underwriter**—Manufacturers Securities Corp., 511 5th Ave., N. Y. **Offering**—Expected late Nov.

Spectron, Inc.

June 9, 1961 filed 83,750 class A common. **Price**—\$4.50. **Business**—Design, development and manufacture of elec-

tronic systems, instruments and equipment, including microwave, radar and underwater communication devices. **Proceeds**—For purchase of equipment, plant expansion, patent development and general corporate purposes. **Office**—812 Ainsley Bldg., Miami, Fla. **Underwriter**—Hampstead Investing Corp., N. Y. **Offering**—Imminent.

★ Star Homes, Inc. (10/30-11/3)

June 28, 1961 filed \$500,000 7% subordinated debentures due 1971 and 200,000 common shares to be offered in units, each unit consisting of \$50 of debentures and 20 common shares. **Price**—\$100 per unit. **Business**—The construction and sale of shell homes. **Proceeds**—For repayment of loans, advances to a subsidiary, establishment of branch sales offices and working capital. **Office**—336 S. Salisbury Street, Raleigh, N. C. **Underwriter**—D. E. Liederman & Co., Inc., New York (managing).

★ Star Industries, Inc. (10/30-11/3)

Aug. 23, 1961 filed 415,576 class A, of which 103,894 are to be offered by the company and 311,682 by stockholders. **Price**—By amendment. **Business**—A wholesale liquor distributor. **Proceeds**—For repayment of loans and working capital. **Office**—31-10 48th Ave., Long Island City, N. Y. **Underwriters**—Lee Higginson Corp. and H. Hentz & Co. (co-mgrs.).

Sterile Medical Products, Inc.

Aug. 29, 1961 ("Reg. A") 120,000 common. **Price**—\$2.50. **Business**—The manufacture and sharpening of scalpels. **Proceeds**—For expansion and the manufacture of scalpels. **Office**—434 Bucklew Ave., Jamesburg, N. J. **Underwriter**—Louis R. Dreyling & Co., Inc., New Brunswick, N. J.

Sterling Extruder Corp.

Sept. 12, 1961 filed 90,000 common, of which 20,000 are to be offered by the company and 70,000 by the stockholders. **Price**—By amendment. **Business**—The manufacture of plastic extrusion machinery and auxiliary equipment. **Proceeds**—For working capital. **Office**—1537 W. Elizabeth Ave., Linden, N. J. **Underwriter**—Marron, Sloss & Co., N. Y.

★ Sterling Plastics Corp.

Sept. 29, 1961 ("Reg. A") 133,330 common. **Price**—\$2.25. **Proceeds**—For debt repayment, new products and working capital. **Office**—153 E. Thompson Ave., St. Paul. **Underwriter**—None.

Sterling Seal Co.

Aug. 2, 1961 filed 112,300 common of which 20,000 are to be offered by the company and 92,300 by the stockholders. **Price**—By amendment. **Business**—Design, lithographing and stamping of metal caps or closures for containers. **Proceeds**—For working capital. **Office**—3166 W. 16th St., Erie, Pa. **Underwriters**—Fulton, Reid & Co., Inc., Cleveland and Walston & Co., Inc., N. Y.

Stouffer Corp. (10/17)

Sept. 8, 1961 filed \$7,500,000 of convertible subordinated debentures due Oct. 1, 1981. **Price**—By amendment. **Business**—The operation of a restaurant chain, the sale of frozen prepared foods and the furnishing of management food service to large organizations. **Proceeds**—For the repayment of debt, expansion, and working capital. **Office**—1375 Euclid Ave., Cleveland. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., N. Y., and Fulton, Reid & Co., Inc., Cleveland. **Note**—The company plans to change its name to Stouffer Foods Corp., in early October.

★ Super Valu Stores, Inc.

Oct. 11, 1961 filed 115,000 common. **Price**—By amendment. **Business**—Distributes food and associated products to franchised retail stores. **Proceeds**—Debt repayment, inventories, expansion and other corporate purposes. **Office**—101 Jefferson Ave., Hopkins, Minn. **Underwriter**—White, Weld & Co., Inc., N. Y., and J. M. Dain & Co., Inc., Minneapolis.

Superior Industries Corp.

Aug. 29, 1961 filed 125,000 common. **Price**—\$4. **Business**—The manufacture of folding pool tables, table tennis tables and related accessories. **Proceeds**—For general corporate purposes. **Office**—520 Coster St., Bronx, N. Y. **Underwriter**—Brand, Grumet & Seigel, Inc., N.Y. (mgr.).

Supronics Corp. (10/30-11/3)

May 29, 1961 filed 90,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company is engaged in the distribution of wholesale electrical equipment and supplies. **Proceeds**—For the repayment of bank loans and other corporate purposes. **Office**—224 Washington St., Perth Amboy, N. J. **Underwriters**—Amos Treat & Co., Inc., and Standard Securities Corp., both of New York City and Bruno-Lenchner, Inc., Pittsburgh, Pa.

Susan Crane Packaging, Inc.

Aug. 28, 1961 filed 150,000 common. **Price**—By amendment. **Business**—The manufacture of gift wrap, packaging materials and greeting cards. **Proceeds**—For repayment of loans, expansion, working capital and general corporate purposes. **Office**—8107 Chancellor Row, Dallas. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y. C.

Swift Homes, Inc. (11/29)

Sept. 15, 1961 filed 240,000 common, of which 80,000 will be sold by the company and 160,000 by stockholders. **Price**—By amendment. **Business**—The manufacture, sale and financing of factory-built homes. **Proceeds**—To expand credit sales and open new sales offices. **Address**—1 Chicago Ave., Elizabeth, Pa. **Underwriter**—Eastman Dillon, Union Securities & Co., N. Y. **Offering**—Expected in mid-November.

Taddeo Construction & Leasing Corp.

March 31, 1961 filed 320,000 common. **Price**—\$5. **Business**—The construction of bowling centers. **Proceeds**—For purchase of land and working capital. **Office**—873 Merchants Rd., Rochester, N. Y. **Underwriters**—N. A.

Hart & Co., and Darius, Inc. (co-mgrs.). Note — This company was formerly named Taddeo Bowling & Leasing Corp.

Tasty Baking Co.

Aug. 31, 1961 filed 100,000 class A common (non-voting). Price—By amendment. Business—The manufacture of packaged bakery products. Proceeds—For the selling stockholders. Office—2801 Hunting Park Ave., Philadelphia. Underwriter—Drexel & Co., Philadelphia.

Tax-Exempt Public Bond Trust Fund, Series 2

Feb. 23, 1961 filed \$10,000,000 (100,000 units) ownership certificates. Price—To be filed by amendment. Business—The fund will invest in interest bearing obligations of states, counties, municipalities and territories of the U. S., and political subdivisions thereof which are believed to be exempted from Federal income taxes. Proceeds—For investment. Office—135 South La Salle Street, Chicago. Sponsor—John Nuveen & Co., Chicago.

Technifoam Corp.

Aug. 14, 1961 filed 110,000 common shares. Price—\$8. Business—The manufacture of machinery for producing polyurethane foam. Proceeds—For repayment of loans, equipment, foreign investments and working capital. Office—717 Fifth Avenue, New York. Underwriter—Stearns & Co., N. Y. (mgr.).

Techno-Vending Corp. (10/30-11/3)

June 9, 1961 ("Reg. A") 100,000 class A common. Price—\$3. Business—Manufacture of coin-operated vending machines. Proceeds—Repayment of loans; sales promotion and advertising; expansion; purchase of raw materials; research and development, and working capital. Office—599 Tenth Ave., N. Y. Underwriter—Interntaional Services Corp., Paterson, N. J.

Telecredit, Inc. (11/6-10)

July 24, 1961 filed 155,000 common shares. Price—\$1. Business—The development of high-speed electronic data processing systems. Proceeds—For organizational expenses, establishment of service centers and reserves. Office—100 W. 10th Street, Wilmington, Del. Underwriter—Globus, Inc., N. Y. (mgr.).

Teleregister Corp.

Sept. 1, 1961 filed 280,000 common. Price—By amendment. Business—The furnishing of data processing, dissemination and display services. Proceeds—For the selling stockholders. Office—445 Fairfield Ave., Stamford. Underwriter—Ladenburg, Thalmann & Co., N. Y. (mgr.).

Templeton, Damroth Corp.

Sept. 28, 1961 filed \$1,500,000 of 5½% convertible debentures due 1969, of which \$205,000 are to be offered by the company and \$240,000 by stockholders. Price—At par. Business—A mutual fund management company. Proceeds—For expansion, a new subsidiary and working capital. Office—630 Third Ave., N. Y. Underwriter—Hecker & Co., Philadelphia.

Texas Gas Producing Co.

Sept. 5, 1961 filed \$315,000 of 5½% subordinated convertible debentures due 1973 and 10,500 common to be offered in units of \$90 of debentures and three common shares. Price—By amendment. Business—The production of crude oil and natural gas. Proceeds—For repayment of notes, working capital and general corporate purposes. Office—731 Meadows Bldg., Dallas. Underwriter—Equitable Securities Corp., Nashville.

Thermionix Industries Corp. (10/16-20)

July 27, 1961 ("Reg. A") 150,000 common shares (par 10 cents). Price—\$2. Business—The manufacture of a flexible heating tape. Proceeds—For construction of a machine, research and development, sales engineering and working capital. Office—500 Edgewood Avenue, Trenton, N. J. Underwriter—D. L. Capas Co., New York.

Thermo-Chem Corp. (11/6-10)

June 14, 1961 filed 130,000 common shares. Price—\$4.50. Business—The manufacture of coatings for fabrics. Proceeds—To repay a loan, and purchase equipment, for research and development, administrative expenses and working capital. Office—Noeland Ave., Penndel, Pa. Underwriter—Best & Garey Co., Inc., Washington, D. C.

Thermotronics Corp., Inc.

July 10, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. Business—Research and development of electronic and electrical devices, principally an electronic water heater. Proceeds—For raw materials, plant and equipment, advertising research and development and working capital. Office—27 Jericho Turnpike, Mineola, L. I., N. Y. Underwriter—J. B. Coburn Associates, Inc., N. Y. Offering—Imminent.

30 North La Salle Street Realty Fund

July 3, 1961 filed 200,000 shares of beneficial interests. Price—\$5. Business—A real estate investment company. Proceeds—For investment. Office—30 N. LaSalle St., Chicago. Underwriter—None.

Thoroughbred Enterprises, Inc. (10/16-20)

June 2, 1961 filed 85,000 common shares. Price—\$4. Business—The breeding of thoroughbred race horses. Proceeds—To purchase land, build a stable, and buy additional horses. Office—8000 Biscayne Blvd., Miami, Fla. Underwriter—Sandkuhl & Co., Inc., Newark, N. J., and New York City.

Thurrow Electronics, Inc.

July 20, 1961 ("Reg. A") 41,500 class A common shares (par \$2.50) and 83,000 class B common shares (par \$1) to be offered in units consisting of one class A and two class B common shares. Price—By amendment. Proceeds—For repayment of loans and inventory. Office—121 S. Water St., Tampa. Underwriter—Miller Securities Corp., Atlanta, Ga.

Tor Education, Inc. (10/23-27)

July 28, 1961 filed 100,000 capital shares. Price—By amendment. Business—The production of self instructional courses and devices. Proceeds—For purchase of

equipment, new products and other corporate purposes. Office—65 Prospect St., Stamford, Conn. Underwriter—F. L. Rossman & Co., New York (managing).

Tower Communications Co.

Aug. 24, 1961 filed 125,000 common. Price—By amendment. Business—The design, manufacture and erection of communications towers. Proceeds—For repayment of debt and working capital. Office—2700 Hawkeye Dr., Sioux City, Iowa. Underwriter—C. E. Unterberg, Towbin Co., N. Y. C. (mgr.).

Transcontinental Investing Corp.

Aug. 25, 1961 filed \$10,000,000 of 6½% convertible subordinated debentures due 1981. Price—By amendment. Business—The operation of hotels, motels, apartment buildings and a small business investment company. Office—375 Park Ave., N. Y. C. Underwriter—Lee Higginson Corp., N. Y. C. (mgr.). Offering—In November.

Trans-Lux Corp. (10/30-11/3)

Aug. 31, 1961 filed 250,000 common, of which 150,000 shares are to be offered by the company and 100,000 shares by stockholders. Price—By amendment. Business—The manufacture of news ticker projection equipment. Proceeds—For expansion, repayment of loans, new equipment and general corporate purposes. Office—625 Madison Ave., N. Y. Underwriter—Bear, Stearns & Co., N. Y. (mgr.).

Tri-Chem, Inc. (10/23-27)

Aug. 18, 1961 filed \$350,000 of sinking fund debentures, 6½% series due 1976 and 140,000 common shares to be offered in units consisting of \$100 of debentures and 40 common shares. Price—By amendment. Business—The manufacture of paints for hobbyists. Proceeds—For repayment of bank loans and working capital. Office—82 Main St., West Orange, N. J. Underwriter—P. W. Brooks & Co., Inc., N. Y. (mgr.).

Tri-Metal Works, Inc. (10/16)

June 29, 1961 filed 63,000 outstanding common shares to be offered by the stockholders. Price—At the market. Business—The designing, converting and equipping trucks used in sale of ice cream, etc. It also engages in the research, design and manufacture of vacuum furnaces, ovens and components in the fabrication of metal equipment for the food, pharmaceutical and chemical industries. Proceeds—For the selling stockholders. Office—Bennard & Warrington Sts., East Riverton, N. J. Underwriter—R. L. Scheinman & Co., N. Y. C.

Tri-Point Industries, Inc.

Sept. 28, 1961 filed 160,000 common, of which 80,000 are to be offered by the company and 80,000 shares by stockholders. Price—By amendment. Business—Manufacture of precision, plastic components. Proceeds—For repayment of loans, advertising, equipment and working capital. Office—175 I. U. Willets Rd., Albertson, L. I., N. Y. Underwriter—Hill, Darlington & Grimm, N. Y.

Tri-State Displays, Inc. (10/23-27)

July 24, 1961 ("Reg. A") 260,000 common shares (par five cents). Price—\$1.15. Proceeds—For working capital. Office—1221 Glenwood Ave., Minneapolis. Underwriter—Naftalin & Co., Minneapolis.

★ Trio-Tec Corp.

Oct. 3, 1961 ("Reg. A") 100,000 common. Price—\$2. Business—Manufacture of electronic parts and equipment. Proceeds—For expansion. Office—Burbank, Calif. Underwriter—Ezra Kureen Co., N. Y.

Triton Electronics, Inc.

Sept. 26, 1961 filed 108,000 common, of which 76,500 will be offered by the company and 31,500 by stockholders. Price—\$4.50. Business—Manufacture of magnetic recording tape and metallic yarns. Proceeds—For research and development, advertising, and working capital. Office—62-05 30th Ave., Woodside, N. Y. Underwriter—Netherlands Securities Co., Inc., and Seymour Blauner & Co., N. Y.

Tropical Gas Co., Inc.

Sept. 8, 1961 filed 135,000 common, to be offered for subscription by stockholders on the basis of one share for each six common held. Price—By amendment. Proceeds—For the repayment of debt, and working capital. Office—2151 Le Jeune Rd., Coral Gables, Fla. Underwriter—Glore, Forgan & Co., N. Y. (mgr.).

True Taste Corp.

Aug. 18, 1961 filed 200,000 common shares. Price—\$5. Business—The installation and operation of plant to process frozen concentrated juices in bulk. Proceeds—For installation of equipment and working capital. Office—1206 Tower Petroleum Bldg., Dallas. Underwriter—Dallas Rupe & Son, Inc., Dallas (managing).

Turbodyne Corp.

May 10, 1961 filed 200,000 shares of common stock. Price—\$2 per share. Business—The research, development, manufacturing and marketing of space and rocket engines, and related activities. Proceeds—For research and development, and working capital. Office—1346 Connecticut Ave., N. W., Washington, D. C. Underwriter—To be named.

Ultra Plastics Inc.

Sept. 19, 1961 filed 150,000 class A common. Price—\$4. Business—The manufacture of outdoor plastic signs and urethane foam. Proceeds—For equipment, repayment of debt, inventory, additional personnel, advertising and Underwriter—Amos Treat & Co., N. Y. Offering—In November.

Union Rock & Materials Corp.

Aug. 22, 1961 filed 160,000 common. Price—By amendment. Business—The company is engaged in the paving of roads and the sale of sand, crushed rock and transit-mix concrete. Proceeds—For the selling stockholders. Office—2800 S. Central Ave., Phoenix, Ariz. Underwriter—William R. Staats & Co., Los Angeles (mgr.). Offering—Expected in late November.

Union Trust Life Insurance Co.

Sept. 25, 1961 filed 300,000 common. Price—By amendment. Business—Sale of life, and health and accident insurance. Proceeds—For investment. Office—611 N. Broadway St., Milwaukee. Underwriters—H. M. Byllesby & Co., and Straus, Blosser & McDowell, Chicago. Offering—Expected in late Nov.

United Aero Products Corp.

Sept. 28, 1961 filed \$600,000 of 6% conv. subord. debentures due 1971. Price—At par. Business—Manufacture of precision machined parts for the aircraft, missile, electronics and nuclear industries. Proceeds—Debt repayment, research and development, expansion and working capital. Office—Columbus Rd., Burlington, N. J. Underwriters—Hess, Grant & Remington, Inc., Philadelphia and Arthurs, Lestrangle & Co., Pittsburgh.

United Exposition Service Co.

Sept. 22, 1961 filed 100,000 common, of which 40,000 will be offered by the company and 60,000 by stockholders. Price—By amendment. Business—Supplying of decorating, drayage, cleaning, and related services for trade shows, conventions, and similar expositions. Proceeds—For working capital, the repayment of debt and purchase of equipment. Office—Suite 705, Merchandise Mart, Chicago, Ill. Underwriter—Drexel & Co., Philadelphia.

United Improvement & Investing Corp.

(10/16-20)
Aug. 18, 1961 filed \$2,500,000 of 6% convertible subordinated debentures due 1976 to be offered for subscription by holders of common stock and series A warrants on the basis of \$100 of debentures for each 70 shares held. Price—By amendment. Business—General real estate. Proceeds—For general corporate purposes. Office—25 W. 43rd St., New York. Underwriter—Sutro Bros. & Co., New York (managing).

United Nuclear Corp.

Aug. 28, 1961 filed 325,000 common, of which 100,000 are to be offered by the company and 225,000 by stockholders. Price—By amendment. Business—Development and research in the nuclear field. Proceeds—For working capital and general corporate purposes. Office—365 Winchester Ave., New Haven, Conn. Underwriter—Eastman Dillon, Union Securities & Co., N. Y. C. (mgr.). Note—This registration has been withdrawn.

United Scientific Laboratories, Inc.

(10/30-11/3)
Aug. 18, 1961 filed 360,000 common shares. Price—\$2. Business—The manufacture of high fidelity stereo tuners and amplifiers and amateur radio transceivers. Proceeds—For repayment of debt, increase in sales personnel, tooling and production and working capital. Office—35-15 37th Ave., Long Island City, N. Y. Underwriter—Continental Bond & Share Corp., Maplewood, N. J.

United Servomation Corp.

Sept. 22, 1961 filed 355,000 common of which 150,000 shares will be offered by the company and 205,000 shares by stockholders. Price—By amendment. Business—Sale of food, tobacco products and beverages through automatic vending machines. Proceeds—For repayment of debt. Office—410 Park Ave., N. Y. Underwriter—Hemphill, Noyes & Co., N. Y.

U. S. Controls, Inc.

Sept. 28, 1961 filed 120,000 common. Price—\$2.25. Business—The manufacture of automatic control systems. Proceeds—For repayment of debt, a sales and advertising program, research and development, equipment and working capital. Office—410 Fourth Ave., Brooklyn. Underwriter—N. A. Hart & Co., Bayside, N. Y.

United States Crown Corp.

Aug. 22, 1961 filed 150,000 common. Price—\$8. Business—The manufacture of specialized bottle caps. Proceeds—For equipment, working capital and general corporate purposes. Office—437 Boulevard, East Paterson, N. J. Underwriter—Adams & Peck, N. Y. (mgr.). Offering—Expected in November.

U. S. Dielectric Inc.

July 24, 1961 ("Reg. A") 99,990 common shares (par 10 cents). Price—\$3. Business—The manufacture and distribution of epoxy resins for potting uses. Proceeds—For repayment of loans, research and development, moving expenses and working capital. Office—140 Adams St., Leominster, Mass. Underwriter—Richard Bruce & Co., Inc., New York.

U. S. Electronic Publications, Inc.

Sept. 26, 1961 ("Reg. A") 100,000 common. Price—\$3. Business—Publishing of military and industrial handbooks. Proceeds—Debt repayment, expansion and working capital. Office—480 Lexington Ave., N. Y. Underwriter—Douglas Enterprises, 8856 18th Ave., Brooklyn.

U. S. Markets, Inc.

July 31, 1961 filed 200,000 common shares, of which 160,000 shares are to be offered by the company and 40,000 shares by a stockholder. Price—\$5. Business—The operation of a chain of supermarkets and other retail food stores in the San Francisco area. Proceeds—For repayment of loans, working capital and general corporate purposes. Office—60 Fallon Street, Oakland, Calif. Underwriter—Stanley Heller & Co., N. Y. Offering—Expected sometime in November.

United States Plastics, Inc.

Sept. 7, 1961 filed 190,000 common, of which 150,000 will be sold by the company and 40,000 by a stockholder. Price—\$3. Business—The sale of plastic items, power tools, adhesives, hardware, etc. Proceeds—To repay debt. Office—750 W. 18th St., Hialeah, Fla. Underwriter—Roman & Johnson, Fort Lauderdale (mgr.).

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United Variable Annuities Fund, Inc.
April 11, 1961 filed 2,500,000 shares of stock. Price—\$10 per share. **Business**—A new mutual fund. **Proceeds**—For investment. **Office**—20 W. 9th Street, Kansas City, Mo. **Underwriter**—Waddell & Reed, Inc., Kansas City, Mo. **Offering**—Expected in early November.

★ **Univend Corp.**
Sept. 29, 1961 ("Reg. A") 115,000 common. Price—\$2.50. **Business**—Operates coin-vending machines for food and drink. **Proceeds**—For expansion and working capital. **Office**—280 O'Brien Place, Brooklyn, N. Y. **Underwriter**—Ezra Kureen Co., N. Y.

● **Universal Lighting Products, Inc.**
Sept. 21, 1961 filed 175,000 common. Price—\$1. **Business**—Manufacturer of lighting fixtures and display and merchandising equipment for use in gasoline service stations. **Proceeds**—Repayment of debt and working capital. **Office**—55 Bergenline Ave., Westwood, N. J. **Underwriter**—Globus, Inc., N. Y. (mgr.). **Offering**—Expected sometime in December.

● **Universal Publishing & Distributing Corp.**
June 28, 1961 filed 50,000 6% cumulative preferred shares (par \$10) and 50,000 common shares to be offered in units, each consisting of one preferred share and one common share. Price—\$15 per unit. **Business**—The publishing of magazines and paper bound books. **Proceeds**—For expansion, additional personnel, sales promotion, working capital and other corporate purposes. **Office**—117 E. 31st St., N. Y. **Underwriter**—Allen & Co., N. Y. **Offering**—Imminent.

Universal Rectifier Corp.
Sept. 5, 1961 ("Reg. A") 80,000 common. Price — \$3. **Business**—The development of high performance silicon rectifiers. **Office** — 2055 Pontius, Los Angeles. **Underwriter**—Kerns, Bennett & Co., Inc., N. Y.

● **Universal Surgical Supply Inc. (10/16-20)**
Aug. 1, 1961 filed 200,000 common shares, of which 100,000 will be offered for public sale and 100,000 to stockholders of Houston Fearless Corp., parent company, on the basis of one share for each 30 shares held of record Sept. 1. **Business** — The sale of medicine, surgical and laboratory equipment manufactured by others. **Proceeds** —For the repayment of debt. **Office** — 9107 Wilshire Blvd., Beverly Hills, Calif. **Underwriter** — Dempsey-Tegeler & Co., Inc., St. Louis.

Uropa International, Inc.
Sept. 28, 1961 filed 120,000 common. Price—\$2.50. **Business**—Importing of compact appliances and stereophonic radio and phonograph consoles. **Proceeds**—For working capital. **Office**—16 W. 32nd St., N. Y. **Underwriter**—Dean Samitas & Co., N. Y.

U-Tell Corp.
Sept. 18, 1961 ("Reg. A") 31,097 common. Price—\$5. **Business** — Operation of a discount department store. **Office**—3629 N. Teutonia Ave., Milwaukee, Wis. **Underwriter**—Continental Securities Corp., Milwaukee, Wis.

Val-U Homes Corp. of Delaware
Aug. 28, 1961 filed 100,000 common. Price—\$5. **Business**—The manufacture of prefabricated buildings and shell homes. **Proceeds**—For working capital. **Office**—765 River St., Paterson, N.J. **Underwriter**—Stearns & Co., N.Y.C. (mgr.). **Offering**—In early November.

Valley Forge Products, Inc.
Sept. 15, 1961 filed 100,000 class A capital shares. Price —By amendment. **Business** — The manufacture of replacement ignition and other electrical components for automobiles. **Proceeds**—For working capital, new products and other corporate purposes. **Office**—370 19th St., Brooklyn, N. Y. **Underwriter** — Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

Valley Gas Production, Inc. (11/20)
Sept. 22, 1961 filed 194,000 common. Price—By amendment. **Business**—Acquisition of natural gas and oil producing properties. **Proceeds**—Construction, repayment of debt and investment in subsidiaries. **Office**—583 M & M Bldg., Houston, Tex. **Underwriter**—White, Weld & Co., N. Y.

Valley Title & Trust Co. (11/6-10)
June 13, 1961 filed 120,000 common shares. Price—\$5. **Business**—The writing and selling of title insurance and the acting as trustee and escrow agent. **Proceeds**—For working capital, reserves and other corporate purposes. **Office**—1001 North Central Ave., Phoenix, Ariz. **Underwriter** — Louis R. Dreyling & Co., 25 Livingston Ave., New Brunswick, N. J. **Offering**—Imminent.

★ **Valtronic Corp.**
Sept. 29, 1961 ("Reg. A") 62,500 common. Price — \$4. **Business**—Design and manufacture of medical and dental equipment. **Proceeds**—For machinery, debt repayment, expansion, new products and working capital. **Office**—375 Walton Ave., Bronx, N. Y. **Underwriters**—Cacchione & Smith, Inc. and Fred F. Sessler & Co., Inc., N. Y.

Van-Pak, Inc.
Sept. 15, 1961 filed 140,000 common. Price—\$15. **Business**—A nation-wide and overseas non-regulated freight forwarder engaged in the forwarding of household goods. **Proceeds**—To repay debt, purchase metal containers, and increase working capital. **Office** — 542 Insurance Exchange Bldg., Des Moines, Iowa. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C. **Offering**—Expected some time in December.

Vending International, Inc.
July 27, 1961 ("Reg. A") 70,588 common shares (par 10 cents). Price—\$4.24. **Proceeds** — For repayment of debt, expansion and a new building. **Office**—c/o Brownfield, Rosen & Malone, 1026-16th St., N. W., Washington, D. C. **Underwriter**—H. P. Black & Co., Inc., Wash., D. C.

Vendotronics Corp. (11/6-10)
Sept. 1, 1961 ("Reg. A") 150,000 common. Price—\$2. **Business**—The manufacture of automatic popcorn vending machines. **Proceeds**—For repayment of loans, advertising, inventory, working capital and general corporate purposes. **Office**—572 Merrick Rd., Lynbrook, N. Y. **Underwriter**—B. G. Harris & Co., Inc., N. Y.

Venus Drug Distributors, Inc.
Oct. 2, 1961 filed 168,000 common, of which 120,000 are to be sold by the company and 48,000 by stockholders. Price—\$5. **Business**—Wholesale distribution of cosmetics. **Proceeds**—For new product development, advertising and working capital. **Office** — 4206 W. Jefferson Blvd., Los Angeles, Calif. **Underwriter**—Garat & Polonitza, Inc., Los Angeles.

Vic Tanny Enterprises, Inc.
May 11, 1961 filed 320,000 shares of class A common stock (par 10 cents) of which 160,000 shares will be offered for the account of the company and 160,000 shares by the present holder thereof. Price—\$9.50. **Business**—The operation of a national chain of gymnasiums and health centers for men and women. **Proceeds**—The company will use its part of the proceeds for the opening of new gymnasiums and the promotion of home exercise equipment. **Office**—375 Park Ave., N. Y. **Underwriter**—S. D. Fuller & Co., N. Y.

Vol-Air, Inc. (10/16-20)
July 27, 1961 ("Reg. A") 96,000 common shares (par one cent). Price—\$2.50. **Business**—The manufacture of a patented heat and mass transfer system. **Proceeds**—For equipment, filing of patents, inventory, advertising and promotion. **Address**—347 Madison Avenue, New York. **Underwriter**—Glass & Ross, Inc., N. Y.

● **Voron Electronics Corp. (10/30-11/3)**
July 28, 1961 filed 100,000 class A shares. Price — \$3. **Business**—The manufacture of electronic test equipment, the sale, installation and servicing of industrial and commercial communications equipment and the furnishing of background music. **Proceeds**—For tooling, production, engineering, inventory and sales promotion of its products and for working capital. **Office** — 1230 E. Mermaid Lane, Wyndmoor, Pa. **Underwriters** — John Joshua & Co., Inc., and Reuben Rose & Co., New York.

Vulcan Mold & Iron Co.
Sept. 29, 1961 filed \$3,500,000 of 6% convertible subordinate debentures due 1981. Price—By amendment. **Business**—Manufacture of cast iron ingot molds, stools, etc. **Proceeds**—For construction and working capital. **Office** — Ave. E., Latrobe, Pa. **Underwriters**—Singer, Deane & Scribner and Moore, Leonard & Lynch, Pittsburgh.

Wagner Baking Corp.
July 5, 1961 filed 50,637 outstanding common shares. Price—At-the-market. **Business**—The manufacture of pies, cakes and other pastries and the distribution of frozen foods. **Proceeds**—For the selling stockholders. **Office**—13 Vesey St., Newark. **Underwriter**—None.

Wainrite Stores, Inc.
June 23, 1961 ("Reg. A") 100,000 common shares (par 10 cents). Price—\$3. **Business**—The operation of discount merchandising centers. **Proceeds**—For repayment of loans, expansion and working capital. **Office**—691 E. Jericho Turnpike, Huntington Station, N. Y. **Underwriter**—Herman & Diamond, N. Y. **Offering**—Imminent.

Wald Research, Inc.
July 26, 1961 filed 65,000 common shares. Price — \$5. **Business** — The manufacture of ground support equipment for the aircraft, missile and related industries. **Proceeds**—For repayment of loans, purchase of equipment and inventory, working capital and general corporate purposes. **Office**—79 Franklin Turnpike, Mahwah, N. J. **Underwriters** — Martinelli & Co., New York and E. R. Davenport & Co., Providence, R. I.

Walter Sign Corp.
March 30, 1961 (letter of notification) 100,000 shares of common stock (par one cent). Price—\$3 per share. **Business** — The manufacture and installation of highway signs. **Proceeds**—For the reduction of debt, sales promotion, inventory and reserves. **Office**—4700 76th St., Elmhurst, L. I., N. Y. **Underwriter**—Amber, Burstein & Co., 40 Exchange Place, New York 5, N. Y.

● **Wards Co., Inc. (10/30-11/3)**
Sept. 15, 1961 filed 110,000 common. Price—By amendment. **Business**—The retail sale of radios, TV sets, refrigerators, stoves, air conditioners, etc. **Proceeds**—For working capital and other corporate purposes. **Office**—2049 West Broad St., Richmond, Va. **Underwriter**—Stein Bros. & Boyce, Baltimore.

● **Warshow (H.) & Sons, Inc.**
Aug. 30, 1961 filed 285,000 class A. Price—By amendment. **Business**—The manufacture of fabrics for women's wear. **Proceeds**—For the selling stockholders. **Office**—45 W. 36th St., N. Y. **Underwriters**—Lee Higginson Corp. and P. W. Brooks & Co., Inc., N. Y. (mgrs.). **Offering**—Expected in November.

● **Water Industries Capital Corp. (10/17)**
July 21, 1961 filed 750,000 common. Price—\$11. **Business**—A small business investment company. **Proceeds**—For investment. **Office**—122 E. 42nd St., N. Y. **Underwriter**—Hornblower & Weeks, N. Y. (mgr.).

Waterman Steamship Corp.
Aug. 29, 1961 filed 1,743,000 common. Price—By amendment. **Business**—The carrying of liner-type cargoes. **Proceeds**—For the purchase of vessels, and working capital. **Office**—71 Saint Joseph St., Mobile, Ala. **Underwriter**—Shields & Co. Inc., N. Y. (mgr.).

Watson Electronics & Engineering Co., Inc.
July 25, 1961 ("Reg. A") 75,000 common shares (par 10 cents). Price — \$4. **Proceeds**—For manufacturing, laboratory and office facilities, equipment and working capital. **Office**—2603 S. Oxford St., Arlington, Va. **Underwriter**—Hodgdon & Co., Inc., Washington, D. C.

Weissberg (H. R.) Corp.
Aug. 28, 1961 filed 250,000 class A common. Price—By amendment. **Business**—The operation of hotels, and general real estate. **Proceeds**—For repayment of loans, acquisition and general corporate purposes. **Office**—680 Fifth Ave., N. Y. **Underwriter**—Troster, Singer & Co., N. Y. C. (mgr.).

Welco Shoe Corp.
Sept. 28, 1961 filed 125,070 common. Price—By amendment. **Business**—The licensing of other firms to manufacture footwear and the manufacture of casual footwear. **Proceeds**—For a selling stockholder. **Address**—Waynesville, N. C. **Underwriter**—C. E. Unterberg, Towbin Co., N. Y.

West Coast Bowling Corp.
May 26, 1961 filed 128,434 shares of common stock, of which 115,000 shares are to be offered for public sale by the company and 13,434 outstanding shares by the present holders thereof. Price—\$9.75 per share. **Business**—The company plans to acquire and operate bowling centers primarily in California. **Proceeds**—For general corporate purposes. **Office**—3300 West Olive Avenue, Burbank, Calif. **Underwriter**—Hill Richards & Co. Inc., Los Angeles (managing).

Westates Land Development Corp.
Sept. 28, 1961 filed \$1,500,000 of 7% convertible subordinated debentures due 1976 and 300,000 common shares to be offered in units, each consisting of \$100 of debentures and 20 common shares. Price—\$200 per unit. **Business**—General real estate. **Proceeds**—For debt repayment and working capital. **Office** — 9412 Wilshire Blvd., Beverly Hills, Calif. **Underwriter**—Morris Cohon & Co., N. Y.

Western Factors, Inc.
June 29, 1960 filed 700,000 shares of common stock. Price —\$1.50 per share. **Proceeds**—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. **Office** — 1201 Continental Bank Bldg., Salt Lake City, Utah. **Underwriter**—Elmer K. Aagaard, 6 Salt Lake Stock Exchange Bldg., Salt Lake City.

Western Semiconductors, Inc.
Sept. 20, 1961 ("Reg. A") 100,000 capital shares. Price—\$3. **Business**—Manufacture of semi-conductors for commercial and military use. **Office**—605-G Alton St., Santa Ana, Calif. **Underwriter**—Currier & Carlsen, Inc., San Diego, Calif.

Westland Capital Corp. (11/13-17)
Sept. 21, 1961 filed 985,500 common. Price—\$11. **Business**—A small business investment company. **Proceeds**—For working capital. **Office**—9229 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Bear, Stearns & Co., N. Y.

★ **Westpak Inc.**
Sept. 29, 1961 ("Reg. A") 100,000 common. Price — \$2. **Business**—Thermo-forming of plastic material for packaging of products. **Proceeds**—For research and development, equipment, sales, advertising and working capital. **Office** — 475 Alfred Ave., Teaneck, N. J. **Underwriter**—Scott, Harvey & Co., Inc., Fairlawn, N. J.

Weyenberg Shoe Manufacturing Co.
Sept. 29, 1961 filed 100,000 common. Price—By amendment. **Business**—Manufacture of men's shoes. **Proceeds**—For selling stockholders. **Office** — 234 E. Reservoir Ave., Milwaukee. **Underwriter**—Robert W. Baird & Co., Milwaukee.

★ **White Electromagnetics, Inc.**
Oct. 5, 1961 filed 65,000 common. Price—\$3.75. **Business**—Rendering of consulting services pertaining to electronic system analysis. **Proceeds**—For expansion, publication of technical papers, marketing, product development and working capital. **Office**—4903 Auburn Ave., Bethesda, Md. **Underwriter**—Weil & Co., Inc., Washington, D. C.

Willner's Liquors
Sept. 13, 1961 ("Reg. A") 100,000 common. Price—\$3. **Business**—Operation of a chain of liquor stores. **Proceeds**—For equipment and inventory, and acquisition and working capital. **Office**—596 Orange St., Newark, N. J. **Underwriter**—First Weber Securities Corp., N. Y.

Winchell Doughnut House, Inc.
Sept. 26, 1961 filed 90,000 common. Price—By amendment. **Business** — Sale of doughnut mixes to franchised operators of doughnut shops leased from the company. **Proceeds**—For the selling stockholder. **Office**—1140 W. Main St., Alhambra, Calif. **Underwriter**—McDonnell & Co., Inc., N. Y.

● **Windsor (Kay), Inc.**
Sept. 28, 1961 filed 200,000 class A common. Price—By amendment. **Business**—Manufacture and sale of women's dresses. **Proceeds**—For a selling stockholder. **Office**—Deane St., New Bedford, Mass. **Underwriter**—Lee Higginson Corp., N.Y. **Offering**—Expected sometime in Nov.

● **Windsor Texprint, Inc.**
Aug. 25, 1961 filed 265,000 common, of which 250,000 are to be offered by the company and 15,000 by stockholders. Price—\$2. **Business**—The printing of towels and other textile products. **Proceeds**—For repayment of loans. **Office**—2357 S. Michigan Ave., Chicago. **Underwriter**—D. E. Liederman & Co., Inc., N. Y. C.

● **Wisconsin Natural Gas Co. (10/18)**
Sept. 20, 1961 filed \$4,000,000 of first mortgage bonds due 1986. **Proceeds**—For expansion, and the repayment of bank loans. **Office**—100 Third Ave., Racine, Wis. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler; Halsey, Stuart & Co.; Kidder, Peabody & Co.; White, Weld & Co. (jointly). **Bids**—Expected Oct. 18 at 11:30 a.m. (EDST).

Wonderbowl, Inc. (10/23)
Feb. 6, 1961 (letter of notification) 150,000 shares of common stock. Price—At par (\$2 per share). **Proceeds**—To discharge a contract payable, accounts payable, and

notes payable and the balance for working capital. **Office**—7805 Sunset Blvd., Los Angeles, Calif. **Underwriter**—Standard Securities Corp., Los Angeles, Calif.

Wood Manufacturing Co., Inc.

July 24, 1961 ("Reg. A") 250,000 common shares (par \$1). **Price**—\$1.15. **Proceeds**—For working capital, repayment of loans, purchase of equipment, advertising and building construction. **Office**—1035 Chestnut St., Conway, Ark. **Underwriter**—J. P. Penn & Co., Minn.

★ Woodman Co.

Sept. 26, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—Manufacture of precision equipment for handling and packaging food products. **Proceeds**—Debt repayment, a new product, sales and working capital. **Office**—114 New St., Decatur, Ga. **Underwriter**—D. H. Blair & Co., Inc., N. Y.

World Scope Publishers, Inc.

July 31, 1961 filed 300,000 common shares. **Price**—By amendment. **Business**—The publishing of encyclopedias and other reference books. **Proceeds**—For repayment of debt, working capital and general corporate purposes. **Office**—290 Broadway, Lynbrook, N. Y. **Underwriter**—Standard Securities Corp., New York.

World Wide Bowling Enterprises, Inc.

July 20, 1961 filed 130,000 common shares. **Price**—\$4. **Business**—The operation of bowling centers. **Proceeds**—For repayment of debt, expansion and working capital. **Office**—2044 Chestnut Street, Philadelphia. **Underwriter**—Fraser & Co., Philadelphia.

• Worldwide Fund Ltd.

Sept. 19, 1961 filed 100,000 common. **Price**—\$100. **Business**—The Fund plans to invest primarily in equity securities of foreign issuers. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter**—Burnham & Co., N. Y. **Offering**—Expected in December.

World Wide Reinsurance Corp.

Sept. 28, 1961 filed 4,800,000 common. **Price**—\$1. **Business**—Reinsurance. **Proceeds**—For capital. **Office**—214 W. 3rd St., Yankton, S. Dak. **Underwriter**—Harold R. Bell & Associates, Billings, Mont.

• Wyoming Wool Processors, Inc.

June 5, 1961 filed 700,000 common shares. **Price**—\$1. **Business**—The processing of wool. **Proceeds**—For the purchase of equipment, building rental, and working capital. **Address**—Box 181, Casper, Wyo. **Underwriter**—None. **Note**—This registration has been withdrawn.

Yankee Plastics, Inc.

Sept. 8, 1961 ("Reg. A") 100,000 common. **Price**—\$3. **Business**—The manufacture of plastic hangers and forms. **Proceeds**—For the acquisition of manufacturing facilities, repayment of debt and working capital. **Office**—29 W. 34th St., N. Y. **Underwriter**—Sunshine Securities Inc., Rego Park, N. Y.

• Zap Aero (10/17)

July 28, 1961 filed 50,000 common shares, of which 30,000 shares are to be offered by the company and 20,000 shares by a stockholder. **Price**—By amendment. **Business**—The manufacture of oxygen systems and accessories for aircraft. **Proceeds**—For inventory, plant improvement, equipment and working capital. **Office**—113 Sheldon St., El Segundo, Calif. **Underwriter**—Francis J. Mitche¹¹ & Co., Inc., Newport Beach, Calif.

★ Zim Israel Navigation Co., Ltd.

Oct. 5, 1961 filed 20,000 of 7% participating preferred. **Price**—\$500. **Business**—Furnishing of passenger and dry-cargo freight services. **Proceeds**—For construction and working capital. **Office**—Haifa, Israel. **Underwriter**—None.

ATTENTION UNDERWRITERS!

Do you have an issue you're planning to register? Our Corporation News Department would like to know about it so that we can prepare an item similar to those you'll find hereunder.

Would you telephone us at REctor 2-9570 or write us at 25 Park Place, New York 7, N. Y.

Prospective Offerings

Arizona Public Service Co.

Sept. 11, 1961 it was reported that this company plans to sell about \$35,000,000 of first mortgage bonds in November. **Office**—501 So. Third Ave., Phoenix, Ariz. **Underwriters**—To be named. The last sale of bonds on March 26, 1959 was handled privately through Blyth & Co., and First Boston Corp. However, the company stated that there is a possibility that these bonds will be sold at competitive bidding, in which case the following are expected to bid on them: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co.; First Boston Corp.; Blyth & Co.; White, Weld & Co., Inc., and Merrill Lynch, Pierce, Fenner & Smith Inc.

Broad Street Trust Co.

Sept. 22, 1961 it was reported that stockholders had approved an increase in capital stock and sale of about 69,370 additional shares to stockholders on the basis of one new share for each 12 held of record Oct. 9, with rights to expire Oct. 30. **Price**—\$32.50. **Office**—Broad and Thompson Sts., Philadelphia. **Underwriters**—Stroud & Co., and Hollowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia.

Bush Terminal Co.

Sept. 15, 1961 it was reported that registration will be filed shortly covering about 90,000 common to be offered to stockholders through subscription rights on 1-for-10

basis. **Business**—The operation of warehouses, manufacturing buildings, piers and railroad facilities. **Office**—100 Broad St., N. Y. **Underwriter**—The company said it may make the offering without an underwriter.

Carbonic Equipment Corp.

June 28, 1961 it was reported that a "Reg. A" will be filed covering 100,000 common shares. **Price**—\$3. **Proceeds**—For expansion. **Office**—97-02 Jamaica Ave., Woodhaven, N. Y. **Underwriter**—R. F. Dowd & Co., Inc.

Chicago, Burlington & Quincy RR. (10/31)

Sept. 19, 1961 it was reported that this company plans to sell \$2,400,000 of equipment trust certificates in October. **Offices**—5747 W. Jackson Blvd., Chicago and 39 B'way, N. Y. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler and Halsey, Stuart & Co. Inc. **Bids**—Expected Oct. 31.

Consolidated Edison Co. of New York, Inc.

Aug. 28, 1961 it was reported that this company plans to sell about \$50,000,000 of first mortgage bonds due Nov. 1, 1991. **Office**—4 Irving Pl., N. Y. **Underwriters**—(Competitive). Probable bidders: First Boston Corp.; Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Nov. 21, 1961 at 11 a.m. (EST). **Information Meeting**—Nov. 15 (10 a.m. EST) at the company's office.

Contact Lens Guild, Inc.

June 19, 1961 it was reported that this company plans to file a "Reg. A" shortly covering an undisclosed number of common shares. **Business**—The manufacture of contact lenses. **Office**—353 East Main St., Rochester, N. Y. **Underwriter**—To be named. **Offering**—Expected in Dec.

Delta Air Lines, Inc.

Sept. 19, 1961 it was reported that this company plans to file a registration shortly covering an undisclosed number of common shares. **Office**—Atlanta Airport, Atlanta, Ga. **Underwriter**—Courts & Co., Atlanta.

Diversified Vending, Inc.

Sept. 13, 1961 it was reported that a registration statement will be filed shortly covering 100,000 common. **Price**—\$4. **Business**—The servicing of vending machines and coin operated kiddie rides. **Proceeds**—For equipment, inventory and general corporate purposes. **Office**—Philadelphia, Pa. **Underwriter**—T. Michael McDarby & Co., Inc., Washington, D. C.

Electro Spectrum Corp.

Sept. 14, 1961 it was reported that this company plans to file a "Reg. A" covering 100,000 common. **Price**—\$3. **Business**—Research, development, manufacture and marketing in the fields of optics, electronics, chemistry and photography. **Proceeds**—For organizational expenses, building lease, machinery, inventory and working capital. **Office**—300 Gramatan Ave., Mt. Vernon, N. Y. **Underwriter**—Harry Rovno (same address).

General Telephone Co. of California (12/11)

Sept. 27, 1961 it was reported that this company plans to sell \$20,000,000 of bonds in December. **Office**—2020 Santa Monica Blvd., Santa Monica, Cal. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.—Equitable Securities Corp. (jointly); White, Weld & Co.—Kidder, Peabody & Co. (jointly); Paine, Webber, Jackson & Curtis; Stone & Webster Securities Corp. **Bids**—Expected Dec. 11.

• First Pennsylvania Banking & Trust Co.

Sept. 27, 1961 it was reported that stockholders are to vote Nov. 6 on a proposed 2-for-1 stock split and sale of 394,975 shares to stockholders on a 1-for-12 basis. **Office**—Philadelphia, Pa. **Underwriters**—Drexel & Co., Philadelphia; Merrill Lynch, Pierce, Fenner & Smith Inc., and Smith, Barney & Co., N. Y. **Note**—The record date for the offering will be Nov. 6.

Georgia Bonded Fibers, Inc.

Sept. 14, 1960 it was reported that registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and N. Y. C.

Mainco Electronics & Marine Development Corp.

July 17, 1961 it was reported that a "Reg. A" will be filed covering \$300,000 of common stock. **Proceeds**—For general corporate purposes. **Address**—Booth Bay Harbor, Maine. **Underwriter**—Nance-Keith Corp., N. Y.

★ Nautec Corp.

Oct. 10, 1961 it was reported that stockholders are to vote Nov. 1 on authorizing the company to issue up to \$4,000,000 of convertible debentures which would be offered on a pro-rata basis to common stockholders. **Business**—Manufactures parking meters, truck winches, fiberglass boats, steel towers, etc. **Office**—11801 Mach Ave., Detroit, Mich.

New World Laboratories, Inc.

Aug. 22, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. **Price**—\$3. **Business**—The manufacture of cosmetics. **Proceeds**—For purchase of equipment and inventory and general corporate purposes. **Office**—Washington, D. C. **Underwriter**—T. Michael McDarby & Co., Inc., Washington, D. C.

New York Telephone Co. (1/9/62)

Oct. 2, 1961 it was reported that this company plans to sell \$60,000,000 of mortgage bonds in January 1962. **Proceeds**—For debt repayment and construction. **Office**—140 West St., N. Y. **Underwriters**—(Competitive). Probable bidders: Halsey, Stuart & Co. Inc., and Morgan Stanley & Co. **Bids**—Expected Jan. 9, 1962.

• Pacific Northwest Bell Telephone Co. (11/15)

Aug. 25, 1961 it was announced that this company plans to sell an additional 12,990,510 common by June 30, 1964, and several issues of debentures to refund a \$200,000,000 4½% demand note issued to Pacific Tel. & Tel. The first of such issues, in the amount of \$50,000,000, is expected to be sold in Nov. **Office**—1200 Third Ave., Seattle, Wash. **Underwriters**—For the stock, none. For

Dividend Advertising Notices Appear on Page 16.

the debentures, to be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co. **Bids**—Expected Nov. 15 at 11 a.m. (EST). **Information Meeting**—Nov. 9 (2:30 p.m. EST) in Room 1900, 195 Broadway, N. Y.

• Penthouse Club, Inc.

June 1, 1961 it was reported that this company plans to issue 60,000 common shares. **Price**—\$5. **Business**—The operation of dining clubs. **Proceeds**—For expansion and working capital. **Office**—15th and Locust St., Philadelphia. **Underwriter**—To be named. **Registration**—Expected about Dec. 1.

Rochester Gas & Electric Corp. (11/14)

Aug. 15, 1961 the company stated it plans to issue about \$15,000,000 of 30-year bonds in November. **Proceeds**—For construction. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Brothers & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc., The First Boston Corp. **Bids**—Expected Nov. 14 at 11 a.m. (EST).

Shenk Industries, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$750,000 of common stock. **Business**—The re-manufacture and distribution of automobile parts. **Proceeds**—For the repayment of loans and expansion. **Office**—Columbus, O. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City, N. J.

Silo Discount Centers

Sept. 6, 1961 it was reported that company plans to sell about \$1,000,000 of common stock. **Business**—The operation of a chain of hard goods, discount department stores. **Office**—Philadelphia, Pa. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Jersey City.

Sonic Systems, Inc.

Sept. 13, 1961 it was reported that a "Reg. A" will be filed shortly covering 65,000 common. **Price**—\$2. **Business**—The manufacture of ultra-sonic cleaning equipment, systems and transducers. **Proceeds**—For expansion and working capital. **Office**—1250 Shames Dr., Westbury, N. Y. **Underwriter**—Keene & Co., Inc., N. Y.

Southern Railway Co. (11/14)

Sept. 19, 1961 it was reported that this company plans to sell \$4,200,000 of equipment trust certificates in November. **Office**—70 Pine St., N. Y. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler and Halsey, Stuart & Co. Inc. **Bids**—Expected Nov. 14.

Subway Bowling & Recreation Enterprises, Inc.

Aug. 22, 1961 it was reported that this company plans to sell about \$1,200,000 of common stock. **Business**—The company has an exclusive franchise from the City of New York to build bowling and recreation centers in the subways. **Proceeds**—To build the first three centers. **Office**—New York City. **Underwriter**—Rodetsky, Kleinzahler, Walker & Co., Inc., Jersey City.

Teeco Automated Systems, Inc.

Aug. 9, 1961 it was reported that a "Reg. A" will be filed shortly covering 100,000 common shares. **Price**—\$3. **Business**—The custom, design, manufacture and installation of automated material handling systems for large wholesale and retail establishments and industry. **Proceeds**—For expansion. **Office**—42-14 Greenpoint Ave., Long Island City, N. Y. **Underwriter**—Herman & Diamond, New York.

Vector Engineering Inc.

Aug. 9, 1961 it was reported that a full registration will be filed shortly covering 100,000 common shares. **Price**—\$6. **Business**—Engineering and design services, the development of electromechanical and electronic devices for industry and the Federal Government, and the preparation of technical publications. **Proceeds**—For expansion. **Office**—155 Washington Street, Newark, N. J. **Underwriter**—Herman & Diamond, N. Y.

West Penn Power Co. (3/5)

Feb. 10, 1961, J. Lee Rice, Jr., President of Allegheny Power System, Inc., parent company, stated that West Penn expects to sell about \$25,000,000 of bonds in 1962. **Office**—800 Cabin Hill Drive, Hempfield Township, Westmoreland County, Pa. **Underwriters**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; W. C. Langley & Co.; Lehman Brothers; Eastman Dillon, Union Securities & Co., and First Boston Corp. (jointly); Harriman Ripley & Co.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected March 5, 1962.

Wisconsin Michigan Power Co. (11/14)

Sept. 12, 1961 it was reported that this company plans to sell \$4,000,000 of first mortgage bonds in November. **Office**—231 W. Michigan Ave., Milwaukee. **Underwriters**—(Competitive). Probable bidders: Salomon Brothers & Hutzler, Halsey, Stuart & Co., Inc.; Kidder, Peabody & Co. and White, Weld & Co. (jointly). **Bids**—Expected Nov. 14.

WASHINGTON AND YOU



BEHIND-THE-SCENES INTERPRETATIONS
FROM THE NATION'S CAPITAL

WASHINGTON, D. C.—Something has got to take place in the Nations Capital in 1962. In these autumn days there is considerable activity at the White House over the colossal task of reducing expenses of the Federal Government.

The fiscal staff of President Kennedy would like very much to balance the budget in fiscal 1963. This is not going to be easy. As a matter of fact it appears hopeless at this time.

Both professional and amateur economists in Washington are now convinced that a heavier tax burden in the near future appears inevitable. In other words, the only way to balance the budget is to raise taxes.

Ironically, the great bumper crops that are being harvested this autumn is not helping the budget situation. The farmer has raised his productivity so much that he is now able to feed himself and 25 others, compared with himself and 10 others in 1940, and himself and 14 others in 1960.

The prolific crops mean that the United States Treasury is going to be tapped for substantial sums for support prices.

Kennedy Orders Study

President Kennedy has asked Walter Heller, his chief economic adviser to conduct an all-out study of the agricultural subsidy program. At the same time he has directed Secretary of Agriculture Orville Freeman not to promise any more supports for the present.

There has been a great amount of criticism of the farm subsidy program and, rightfully so. However, the criticism should be directed primarily at the politicians in both the legislative and executive branches of the government rather than at the farmer himself.

The farmer has not been the primary beneficiary of either the rapid increase in production efficiency nor the subsidies. Farming is a highly speculative business. He has been described as a burden to the taxpayer, and he has been blamed for the high cost of living. This is all true as far as it goes, but many others reap the benefits of subsidies other than farmers.

Persons close to President Kennedy are convinced that he is sincerely interested in balancing the budget. Yet this is in contradiction to the actions of the first session of the 87th Congress which unquestionably was the freest spending session of all time.

The records show that only twice has the spending record of Congress been exceeded. Both times were during World War II.

White House Gardeners Under Fire

A Washington correspondent who is a personal friend and a recent week-end guest of President Kennedy, Charles Bartlett, says that White House aides are moving toward the partial impounding of the extra defense funds which Congress voted. He says the Chief Executive has issued a directive intended to stop the increase in the Federal payroll which has been climbing and climbing.

"The President is showing his mood in dealing with instances of government waste which he personally perceives," said Bartlett writing in the "Washington Star." "When the White House Gardeners asked recently for a larger staff, he refused them and even considered having the family

gardener come down from Hyannis Port to assess the distribution of labor on the executive grounds.

"A man whose personal habits are distinctly frugal, Mr. Kennedy had always been quick to indignation at even petty signs that the taxpayers are or were being bilked. As a Senator he encouraged efforts to disclose instances of Federal waste and groaned at the tendency of Federal officials to indulge their tastes at public expense.

"His philosophy as a liberal is much akin to that of Senator Douglas, Democrat of Illinois, who supports programs designed to increase Federal efforts in behalf of the individual but fights bitterly to restrict the frills that are constantly put forward by the bureaucracy. Mr. Kennedy is pressing to have this philosophy reflected in his Administration by increased efficiency."

Budget Heavily Increased

Meantime, the Council of State Chambers of Commerce in analyzing the actions of the recent Congress, predicts that expenditures will amount to some \$7 billion over the original budget of 1962. Furthermore, the Council through Eugene Rinta, Director of Research, predicts that the budget for 1963 will rise to \$90 billion.

President Kennedy's budget recommendations for the current fiscal year had been expected to result in about \$81 billion. But the President's recommendations and actions taken by Congress are expected to swell the total sum to around \$88 billion.

The increase in defense spending has been the major single increase in spending, but both the Administration and Congress wanted to help depressed communities and areas over the country. The distressed areas legislation is an example of the expanded social legislation.

If the people and the leadership want more assistance and more social programs in general they should be prepared to pay for it rather than pass the cost along to the future generations to pay.

Eisenhower Budget Discarded

President Eisenhower, in taking office in January, 1953, inherited the budget of President Truman which called for expenditures of \$78.6 billion and appropriations of \$73.8 billion. After certain revisions the Eisenhower Administration had reduced the appropriation recommendations by \$8.8 billion. Then Congress made additional reductions in appropriation requests of \$3.8 billion for a total cut of \$12.6 billion from Mr. Truman's request.

The final reduction amounted to \$10.1 billion from the request of the Truman Administration.

When President Eisenhower, who did not do too well in balancing the budget, submitted his budget plan for fiscal 1962 he proposed a spending authority of nearly \$81 billion. He estimated revenues at \$82.3 billion. Obviously, the Kennedy Administration quickly threw the Eisenhower budget into the waste basket.

The New Frontier has some fiscal headaches ahead because of "the freest spending session in peacetime or cold war history." It was recently pointed out here that Senator Harry F. Byrd of Virginia is apprehensive that the deficit at the end of 1962 will amount to \$10 billion. It seems



"Daily Bugle?—that's SEC not SEX!"

that the time has come when Congress should work out a way to improve its control over Federal spending.

If Congress and the country want to spend and spend then let them pay for it as they travel along the socialist highway.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]

Exchange Firms Name Eustis

DENVER, Colo.—Brittin C. Eustis, partner in Spencer Trask & Co., New York, has been nominated for the office of President of the Association of Stock Exchange Firms for the coming year. Howard B. Dean, Harris, Upham & Co., New York, and William C. Coe, Mackall & Coe, Washington, D. C., have been nominated as Vice - Presidents, and Walter B. Levering, Carlisle & Jacquelin, New York, as Treasurer. Elections will take place at the annual meeting in New York on Nov. 15.

Mr. Eustis has been associated with Spencer Trask & Co. practically his entire business career, having joined this organization in



Brittin C. Eustis

1927 after his graduation from Yale University in 1926. He became a partner in January 1944 and is presently in charge of Operations and is head of the Oil & Gas Department. In conjunction with the latter he has been interested in several producing and royalty companies.

The Association has also announced the following nominations for election to the Board:

Harry A. Jacobs, Jr., Bache & Co., New York; James Crane Kellogg, III, Spear, Leeds & Kellogg, New York; William T. Kemble, Estabrook & Co., Boston; George J. Leness, Merrill Lynch, Pierce, Fenner & Smith Inc., New York; David B. McElroy, Clark, Dodge & Co., Inc., New York; William M. Meehan, M. J. Meehan & Co., New York; Robert A. Powers, Smith, Barney & Co., New York; Albert C. Purkiss, Walston & Co., Inc., New York; Richard W. Simmons, Blunt Ellis & Simmons, Chicago; Claude F. Turben, Merrill, Turben & Co., Cleveland; E. Warren Willard, Boettcher & Company, Denver, and Coleman Wortham, Jr., Davenport & Co., Richmond.

Nominations for membership on the committee to present a slate of Governors for 1962 are as follows:

Roscoe C. Ingalls, Ingalls & Snyder, New York; David Scott Foster, Pershing & Co., New York; Lloyd W. Mason, Paine, Webber, Jackson & Curtis, New York; James Parker Nolan, Folger, Nolan, Fleming-W. B. Hibbs & Co., Inc., Washington, and William C. Roney, Wm. C. Roney & Co., Detroit.

James F. Burns, Jr., Harris, Upham & Co., was Chairman of the Nominating Committee.

COMING EVENTS

IN INVESTMENT FIELD

Oct. 13, 1961 (Montreal, Canada) Canadian Group of Investment Bankers Association meeting.

Oct. 13-15, 1961 (White Sulphur Springs, W. Va.) Southeastern Group of Investment Bankers Association meeting.

Oct. 15-18, 1961 (San Francisco, Calif.) American Bankers Association annual convention.

Oct. 16-20, 1961 (Palm Springs, Calif.) National Security Traders Association Annual Convention at the Palm Springs Riviera Hotel.

Oct. 17, 1961 (Detroit, Mich.) Michigan Group of Investment Bankers Association meeting.

Oct. 19, 1961 (Pennsylvania) Western Pennsylvania Group of Investment Bankers Association meeting at Rolling Rock, Pa.

October 20-21, 1961 (Milwaukee, Wis.) National Association of Investment Clubs 11th annual national convention at the Hotel Schroeder.

Oct. 24, 1961 (Minneapolis-St. Paul) Minnesota Group of Investment Bankers Association annual meeting.

Oct. 26, 1961 (Louisville, Ky.) Ohio Valley Group of Investment Bankers Association annual meeting.

Nov. 26-Dec. 1, 1961 (Hollywood, Fla.) Investment Bankers Association Annual Convention at Hollywood Beach Hotel and the Diplomat Hotel.

Dec. 4-5, 1961 (New York City) National Association of Mutual Savings Banks 15th annual mid-year meeting.

April 8-10, 1962 (San Antonio, Tex.) Texas Group of Investment Bankers Association of America, annual meeting at the St. Anthony Hotel.

May 6-9, 1962 (Seattle, Wash.) National Association of Mutual Savings Banks 42nd annual conference at the Olympic Hotel.

Sept. 23-26, 1962 (Atlantic City, N. J.) American Bankers Association annual convention.

April 27-May 1, 1963 (Boston, Mass.) National Association of Mutual Savings Banks 43rd annual conference at the Hotel Statler.

Form Truday Co.

Truday Co., Inc. has been formed with offices at 100 William Street, New York City, to engage in a securities business. Officers are Isaac Hasday, President; and D. Hasday, Secretary and Treasurer.

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